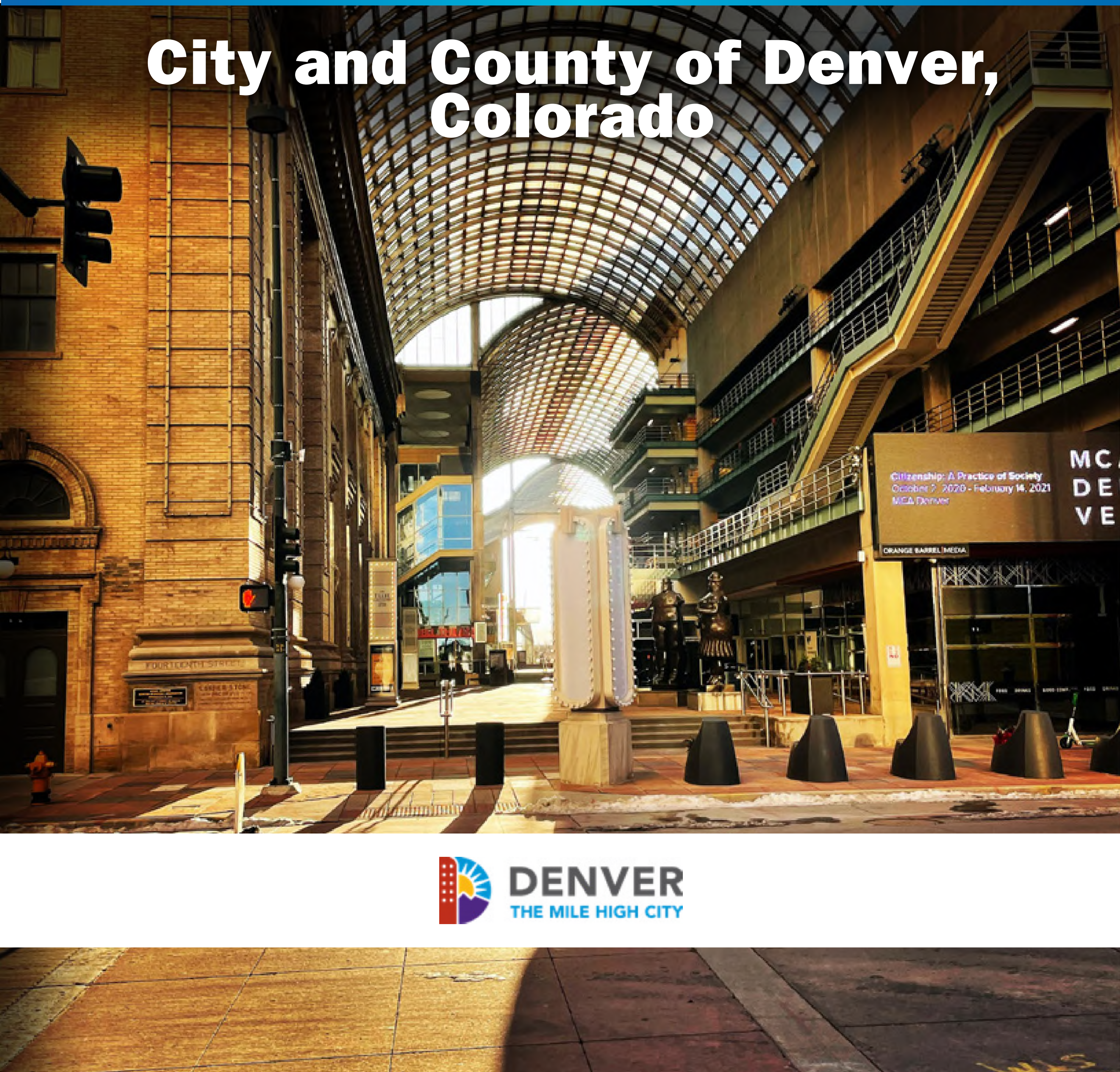
Annual Comprehensive Financial Report

Year Ended December 31, 2021

City and County of Denver, Colorado



DENVER
THE MILE HIGH CITY

Annual Comprehensive Financial Report

City and County of Denver, Colorado | Year Ended December 31, 2021

prepared by

Department of Finance

Controller's Office

Brendan Hanlon, Chief Financial Officer

William Riedell, CGFM, Controller

Available online at www.denvergov.org/finance

Photo credits: Laiton Barbo, Colin Lloyd, Visit Denver, Steve Crecelius

DENVER
THE MILE HIGH CITY

Contents

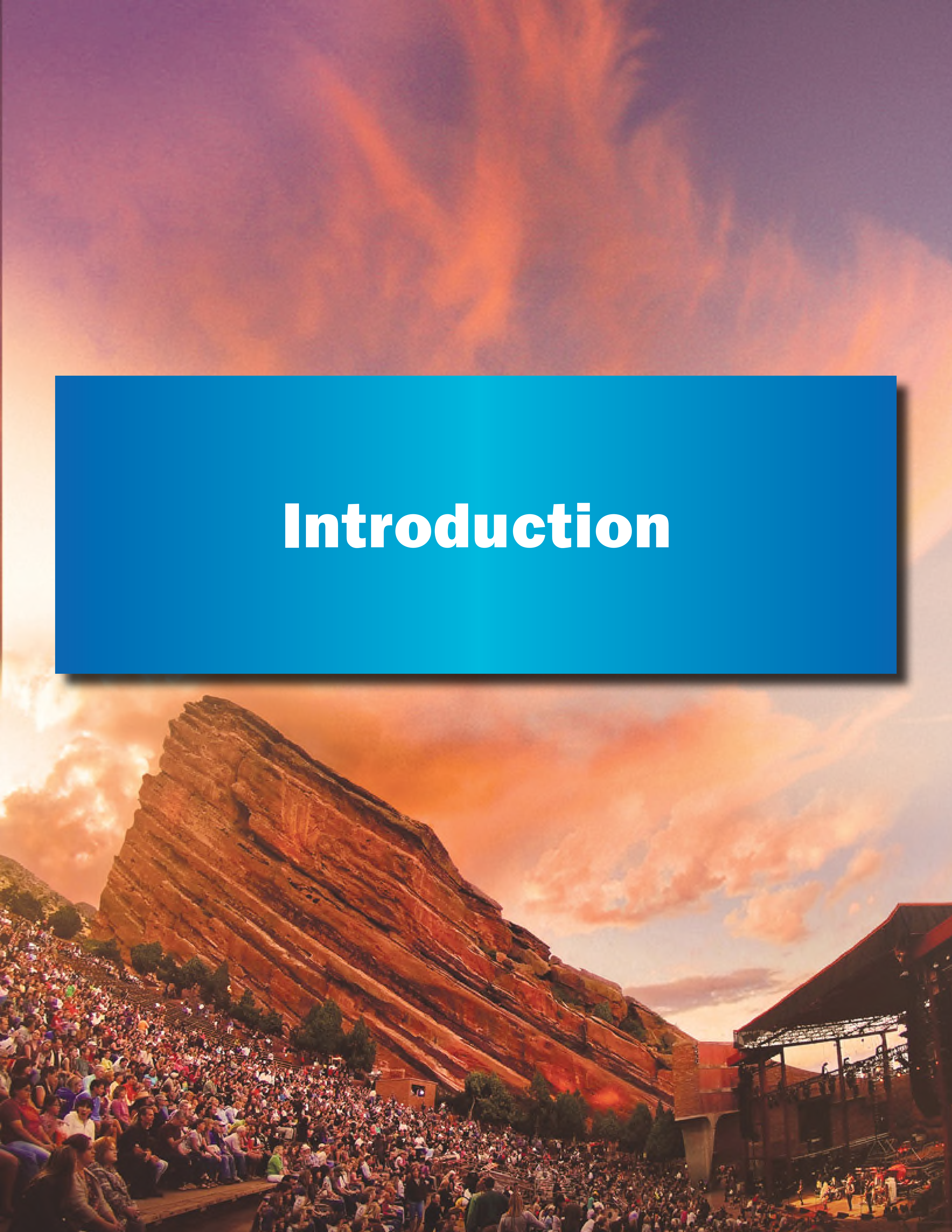
INTRODUCTION

FINANCIAL

STATISTICAL (UNAUDITED)

This page intentionally left blank

Introduction



June 25, 2022

Citizens of the City and County of Denver,
Honorable Mayor, Honorable Auditor,
Honorable Clerk and Recorder,
Honorable Members of City Council, and
Audit Committee

Brendan Hanlon
Chief Financial Officer

State law requires the City and County of Denver (City) to publish within seven months of the close of the fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This report is prepared by the Controller's Office under the Department of Finance according to Article 2, Part 5 of the City's Charter. Pursuant to the requirements, I hereby issue the Annual Comprehensive Financial Report of the City for the fiscal year ended December 31, 2021.

This report consists of management's representations concerning the finances of the City. Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City. To provide a reasonable basis for making those representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with U.S. GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

BDO USA, LLP, a firm of licensed certified public accountants, has audited the City's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2021, are free of material misstatement. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering unmodified opinions on the City's basic financial statements as of and for the year ended December 31, 2021. The independent Auditors' report is presented as the first component of the financial section of this report.

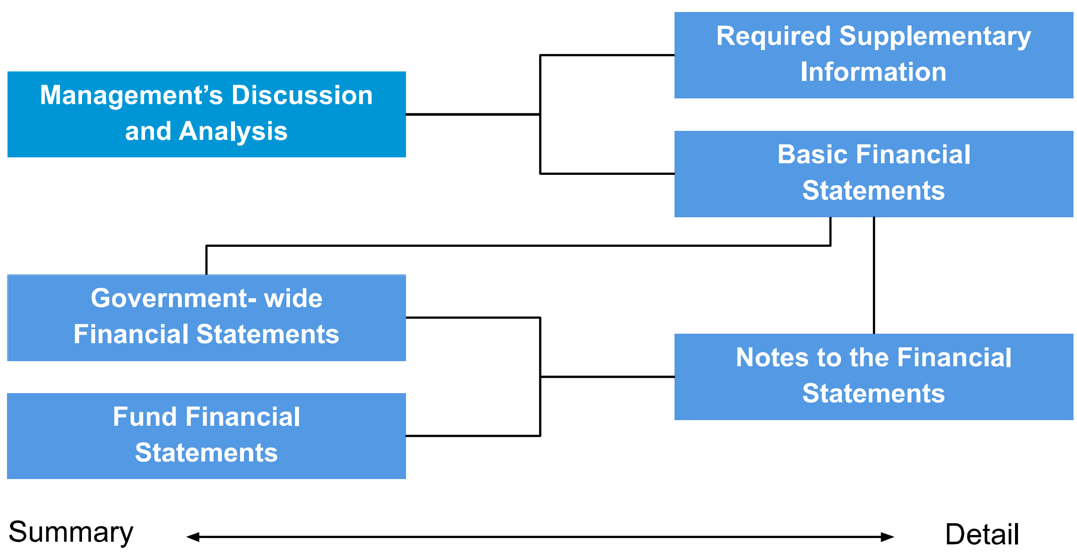
Department of Finance, The Controller's Office
201 W Colfax Ave, Dept 1109 | Denver, CO 80202
www.denvergov.org/finance
p: 720.913.5500 | f: 720.913.5245

The Report

The Annual Comprehensive Financial Report is presented in three sections:

- The **Introduction section** includes this letter of transmittal, Mayor, Auditor, District Attorney, Clerk and Recorder, and City Council introductions, the City's organization chart, and certificates of achievement.
- The **Financial section** includes the report of the independent auditors, Management's Discussion and Analysis (MD&A), the basic financial statements, including the government-wide financial statements comprised of the Statement of Net Position and the Statement of Activities and the accompanying notes to the financial statements. The Financial Section also includes the fund financial statements including the governmental funds financial statements, the proprietary funds financial statements, the fiduciary funds financial statements, the component units financial statements, and the combining individual funds financial statements for the nonmajor governmental funds and the nonmajor proprietary funds. Required supplementary information other than the MD&A is also included in the financial section.
- The **Statistical section** includes selected financial and demographic information, on a multi-year basis.

This transmittal letter is designed to complement the MD&A and should be read in conjunction with the MD&A.



This Annual Comprehensive Financial Report (Financial Report) includes all funds of the City. The City provides a full range of services including: police and fire protection; the construction and maintenance of highways, streets and other infrastructure; and recreational activities and cultural events. The Financial Report also includes the City's component units, which are legally separate organizations and for which the City is financially accountable or whose relationship with the City is of a nature and significance that would cause the City's financial statements to be incomplete were they not included.

The City maintains budgetary controls that have the objective of ensuring compliance with legal provisions embodied in the annual appropriated budget submitted by the mayor and adopted by the City Council. All activities of the General Fund and Human Services special revenue fund are included in the annual appropriated budget except for capital outlay. Project-length budgets are adopted for the remaining special revenue funds and capital project funds. Budgetary control (the level at which expenditures and encumbrances cannot legally exceed the appropriated amount) is established at the department level within individual funds, except for special revenue and capital project funds, which are at the funded project level. Disbursements that would result in an overrun of funded project balances (budgets) are not released until additional appropriations are made available. At year-end, if additional monies have not been appropriated where needed, expenditures are properly reflected in the current period causing an over budget condition to exist.

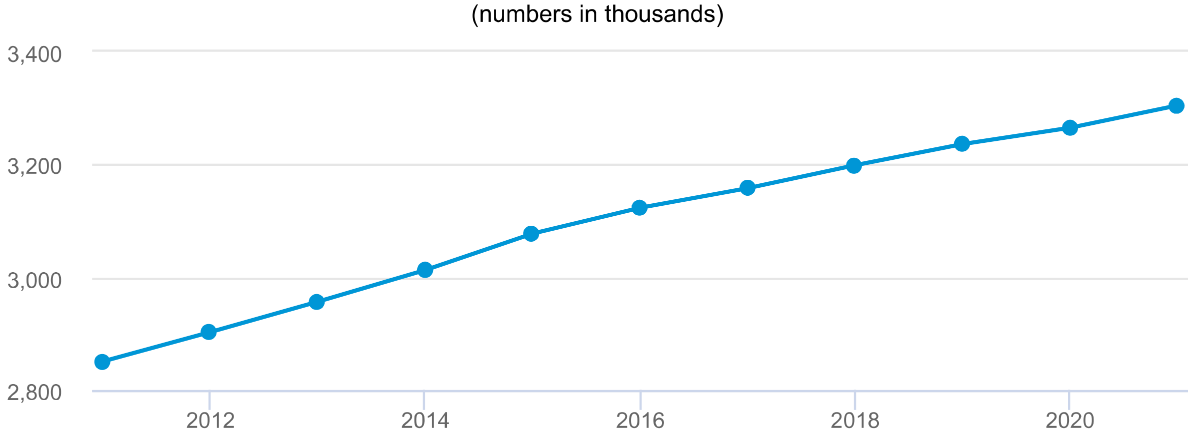
In addition to the financial audit, the City undertakes a single audit in conformance with the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Audits. The results of this single audit, including a schedule of expenditures of federal awards, and the independent auditor's reports on the City's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards, are available in the City's separately issued single audit report.

City Profile

Denver is located at the eastern base of the Rocky Mountains in the north-central part of Colorado, encompassing 154.63 square miles. The City is the capital of the state, and it is also the cultural, distribution, entertainment, financial, service and transportation hub of the Rocky Mountain region. With an elevation of 5,280 feet the "Mile High City" has a cool, dry, sunny climate that makes it a magnet for health seekers and those enjoying outdoor recreation all year round. In 2021, Denver had an estimated population of 749,103 for the core City and County. It is estimated that over 3 million people reside in the Denver metro area, which includes the suburban counties of Adams, Arapahoe, Boulder, Broomfield, Douglas and Jefferson. Denver was founded November 22, 1858, after a gold discovery at the confluence of Cherry Creek and the South Platte River. Town founder William H. Larimer, Jr. named the City for James W. Denver, Governor of Kansas Territory, of which east central Colorado was then a part.

Denver Metropolitan Statistical Area's Population

(numbers in thousands)



Numerous gold discoveries sparked a mass migration into Colorado of some 100,000 in 1859-1861, leading the federal government to establish Colorado Territory in 1861. The City of Denver was incorporated on November 7, 1861, by a special act of the first session of the Legislative Assembly of Colorado Territory. In 1867 Denver became the capital of Colorado Territory and remained the capital after Colorado became a state on August 1, 1876. Denver became a city and county with home rule when Article XX was added to the Colorado Constitution in 1902. The

City's charter was enacted on March 29, 1904 establishing a strong mayor/city council form of government and an independent, elected city auditor.

The mayor and 13-member council, elected in non- partisan elections, govern the City. The mayor is the chief executive, exercising all administrative and executive powers granted to the City, except as otherwise delegated by the City Charter. The legislative powers of the City are vested in the City Council. The City has an elected auditor and an elected clerk and recorder. All elected officials' terms are concurrent and last four years, and each position is subject to term limits of 12 years.

The City Charter establishes an audit committee consisting of seven members; two members appointed by the Mayor, two members appointed by the City Council and two members appointed by the auditor, with the auditor as the chair. The audit committee, among other things, is responsible for the selection and management of the external auditor. During the course of the annual city-wide audit the audit committee monitors the progress of the audit and discusses with the external auditor any matters related to the audit. The audit committee also accepts the results of the audit.

Regional Economic Conditions

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

The City is the center of economic activity of the region, serving as a business, recreational, higher educational and cultural hub. Major features of the economy include the central business district, state capitol building, Denver International Airport, extensive library facilities, several professional sports teams, institutions of higher learning, and numerous museums and other cultural facilities.

According to the Governor's Office of State Planning and Budget (OSPB), continued pandemic conditions, inflation, supply chain problems, and a volatile labor market have stymied Colorado's pandemic recovery in 2021. However, new business applications (especially among Black and Latino business owners), healthy aggregate household finances, and wage growth provide reasons for optimism as the state continues to regain financial ground.

Labor Market

Per the OSPB, Colorado job growth was strong in 2021, and the state's labor force participation rate continues to place in the top five states in the U.S. The unemployment rate in Colorado dropped to 4.1 percent in 2021 and remained in parity with the national average through most of the year.

Tourism

The tourism industry in Colorado saw significant signs of recovery in 2021. Colorado was among 24 states that saw an increase in state tourism budgets in FY 2021-2022, according to the U.S. Travel Association. Denver International Airport regained its 2020 rank as the number three airport in the nation in terms of enplaned passengers, with 58.8 million travelers served in 2021. Preliminary, unaudited year-end actuals show that the City's 2021 lodgers' tax revenue increased by 92.3 percent year-over-year. While still 30 percent shy of 2019's numbers, 2021's lodger's tax revenues show a promising trend of recuperation from the COVID-19 pandemic.

The recovery of the business travel industry continues to lag behind that of leisure travel to Colorado, according to the American Hotel and Lodging Association. According to the association's report, business travel to the Denver market is not expected to recover to pre-pandemic levels until at least 2024.

Consumer Spending

According to the OSPB, sales tax collection saw gains in 2021, but was likely tempered by inflation, policy changes, and the impact of online retailers. The OSPB reports that retail sales increased by 18.4 percent in rural counties, and by 16.8 percent in urban counties in FY 2020-2021. These numbers are particularly promising when considered in the context of FY 2019-2020, which showed only 2.3 percent growth in rural counties and 0.3 percent in urban counties. Goods spending as a percentage of total expenditures has increased modestly since the start of the pandemic (about 4 percent since February 2020) and service spending has declined 3 percent. Global supply chain issues are expected to continue to constrain goods spending growth in 2022.

City Financial Policies and Planning

Due to sound fiscal management over the years, the City was able to leverage reserves to keep the City running and prevent fiscal collapse following the 2020 global pandemic. Formal policies and operating practices enabled the City to operate in a lean mode while it weathered the worst of the pandemic. The City's financial practices also ensured standards of transparency, stewardship and accountability as the City emerged from survival mode into a period of recovery.

In 2020, the City was the beneficiary of CARES Act funding and in 2021, Denver received its first of two installments of $154 million in funds from the American Rescue Plan Act. Formal fiscal policies pertaining to balanced budgets, revenue diversification, investments, debt, expenditures and one-time and unpredictable revenues guide the administration of these and other stimulus funds as the City navigates its long-term recovery.

Revenue Administration

The City's main source of revenue for operating expenditures is sales and use tax, which typically averages 50.00% of total General Fund revenues, including transfers in. This is less than the 70.00% average for most local governments in the region. In addition, the City reviews all fees, fines, and charges for services on a rotating basis to ensure they are meeting cost recovery goals. One-time and unpredictable revenues are spent on one-time costs, such as equipment replacement, or transferred to capital improvement funds for repair and rehabilitation projects.

Expenditure Administration

Expenditure budgets are carefully reviewed by both the implementing departments and the Budget and Management Office. Careful attention is paid to ensure departments are meeting projected vacancy savings and that excess budget cannot be transferred to non-personnel line items without approval of the Finance Department. In 2021, approximately $40.4 million in payroll expenditures were transferred from the General Fund to the Coronavirus Relief Funds (CRF). The expenses were generated by personnel from public health and public safety departments. Wage and fringe benefits expenditures of staff fulfilling a public health or public safety function were categorized as eligible uses of CRF funds under U.S. Treasury guidance. The transfer enabled the full allocation of CRF funding to be spent prior to its expiration.

Reserves

The City has multiple reserves in its General Fund to address budgetary shortfalls. A Contingency Reserve of no less than 2.00% of total estimated expenditures, an Emergency Reserve mandated by the State Constitution equal to 3.00% of covered funds, and an unassigned Fund Balance minimum of 10.00% and target of 15.00% of total budgeted expenditures. The City's budget policy concerning the use of reserves varies depending on the reserve type but generally limits the use of reserves to respond to revenue shortfalls, unanticipated expenditures, or severe economic downturn.

Debt Administration

The City's debt policy establishes guidelines and parameters for the issuance and management of debt. The primary objectives of the policy are to ensure that debt is issued prudently and is affordable. The Taxpayer's Bill of Rights (TABOR) under the State Constitution requires the City to obtain voter approval prior to issuing any multi-year fiscal debt or obligations. Certain exceptions apply for refunding of outstanding bonds and debt issued by enterprises of the City. The City's Charter further restricts general obligation bonded debt to 3 percent of the actual value of the taxable property within the City. General obligation water bonds issued by Denver Water are excluded from this limitation. At December 31, 2021, the City's general obligation bonded debt of $751,066,000 million net amounts reserved for debt service and subject to this restriction, was 9.65% percent of the $5,773,945,000 million three-percent limitation amount, not including compound interest of the general obligation mini-bonds.

According to standard measures used by the primary credit rating agencies to assess debt (e.g. fund balance as a percent of operating expenses, debt-to-assessed ratios, debt per capita, etc.), the City's level of direct debt obligations are considered moderate but manageable in comparison with similarly sized cities. Rating agencies cite the City's strong financial management and prudent fiscal policies as credit strengths. As of December 31, 2021, the City is rated triple-A (AAA) by all three of the major rating agencies: Standard & Poor's, Fitch, and Moody's Investors Service.

Cash Management

The City Charter regulates the securities in which the City may invest its funds. Permissible investments under the charter are obligations of the United States Government, its agencies, and sponsored corporations, prime bankers' acceptances, prime commercial paper, certificates of deposit issued by banks and savings and loan institutions, local government investment pools, repurchase agreements, forward purchase agreements, security lending agreements, highly rated municipal securities, high grade corporate bonds, asset-backed securities, supranational debt obligations, federal agency collateralized mortgage obligations (CMO), federal agency mortgage pass through securities (MBS), money market funds that purchase only the types of securities specified herein, and other similar securities as may be authorized by ordinance. The City Council has adopted an ordinance authorizing the investment of City monies in Resolution Funding Corporation (REFCORP) Securities, Forward Purchase Agreements, and Debt Service Reserve Fund Put Agreements, all of which are either issued by a U.S. Government Corporation or are collateralized by surety types already authorized by the Charter. The City is not permitted to leverage its investment portfolio.

The objectives of the City's investment policy, in order of priority, are to maintain principal, to ensure the availability of funds to meet obligations promptly, and to maximize yield on the investment portfolio. Bank deposits are either insured by federal deposit insurance or collateralized according to state law. Investments are held at a third-party bank in a safekeeping account in the City's name.

Long-Term Financial Planning

The City has a six-year long-range capital planning process and document that is updated each year and helps drive annual capital funding decisions as well as periodic general obligation bond issues for larger investments. For operations, expenditures and revenues are forecasted out for five years to account for planned changes to existing revenues, such as sunsetting revenues, and to project any future deficits between revenues and expenditures.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report (Financial Report) for the year ended December 31, 2020. The Certificate of Achievement is a national award recognizing conformance with the highest standards for preparation of state and local government financial reports. To be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized Financial Report. This report must satisfy both U.S. GAAP and applicable legal requirements. This was the fortieth consecutive year that the City has received this award. A Certificate of Achievement is valid for one year only. We believe this 2021 Financial Report continues to conform to the Certificate of Achievement program requirements and will submit it to the GFOA to determine its eligibility for another certificate.

Furthermore, the GFOA has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City for its Popular Annual Financial Report (PAFR) for the fiscal year ending on December 31, 2020. The Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. To receive this award a government unit must publish a PAFR whose contents conform to program standards of creativity, presentation, understandability and reader appeal. This is the eighth year that the City has received this award. An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA.

Additionally, GFOA presented a Distinguished Budget Presentation Award to the City for its annual budget for the fiscal year beginning January 1, 2021. To receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This award is valid for a period of one year only. We believe our 2022 budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another year.

The preparation of this Annual Comprehensive Financial Report could not have been accomplished without the efficient and dedicated service of a highly qualified staff in the Controller's Office. The Cash, Risk, and Capital Funding Division and the Budget and Management Office were also instrumental in the ACFR's completion. Their cooperation and continued assistance is necessary and appreciated. I would like to thank all personnel who helped and contributed to the preparation of this report. I also want to acknowledge the thorough and professional way our independent auditors, BDO USA, LLP, conducted their audit.

Respectfully submitted,

Brendan Hanlon
Chief Financial Officer

Honorable
Michael B. Hancock
Mayor

Dear Denver residents:

2021 began with an air of cautious optimism as our city reflected on the ways it had weathered and persevered over the challenges and changes of 2020. For stewards of City funds and budgets, this reflection brought the essential question of how to emerge from the worst economic downturn since the Great Depression, while remaining circumspect about the future of our city.

The decisions made during this period of recovery are no less vital than those made during the period of uncertainty and distress experienced during the COVID-19 pandemic. What is clear is that those decisions must prioritize residents and communities who were impacted the most by the pandemic. With Denver receiving $308 million in local relief funds from the American Rescue Plan Act, our mission is to ensure that those resources are used to rebuild an inclusive, sustainable economy that works for everyone.

We doubled our annual investment into our Affordable Housing Fund with dollars from the American Rescue Plan Act to deliver safe, affordable housing for our residents facing rising costs. For our unhoused residents, we expanded services like safe outdoor spaces and tiny home communities, opened new shelters that provide on-site services and care, and opened a new Solution Center to provide 24-hour care to those who are experiencing a behavioral health crisis.

We prioritized public safety, with resources going to our Youth Violence initiative, as well as to the hiring, training, and development of law enforcement officers to face the unique challenges of modern policing. We're delivering a collaborative crime-prevention model to deploy more resources to help communities address the underlying factors of high crime rates. In July of 2021, we expanded our successful Support Team Assisted Response (STAR) program to add more teams of social workers and mental health professionals to provide city-wide support to neighbors in crisis and get them the specific help they need right when they need it, instead of sending uniformed officers.

We've also invested in our city's small businesses and workers. With remaining funding from the CARES Act, we deployed programs to help businesses, workers and neighborhoods recover from the pandemic and keep our city's communities vibrant and unique. Additional state, local and federal funds are being used to support more than 20,000 Denver workers with the apprenticeships, job-seeking resources, and training to become competitive in this extraordinary job market.

The recovery has afforded Denver an unprecedented opportunity to level the playing field so that every resident of our city has the opportunity to come back better than we were before. We're seizing this opportunity to think big and make decisions that can move Denver forward with conviction and equity. As we close the books on 2021, I am proud of what we've started and look forward to where the next phase of recovery will take us.

Mayor's Cabinet and Chief of Staff

Jay Morein Executive Director of Human Services	**Brendan Hanlon** Deputy Mayor and Chief Financial Officer
Alan Salazar Chief of Staff	**Andrew Amador** Executive Director, General Services
Kristin Bronson City Attorney	**Happy Haynes** Executive Director of Parks and Recreation
Phil Washington Executive Director of Aviation	**Bob McDonald** Executive Director of Public Health and Environment
Laura Aldrete Executive Director of Community Planning and Development	**Adam Phipps** Executive Director of Transportation and Infrastructure
Molly Duplechian Executive Director of Excise and Licenses	**Armando Saldate** Executive Director of Public Safety

Honorable

Timothy M. O'Brien,

CPA Auditor

Timothy M. O'Brien is the Auditor for the City and County of Denver. Mr. O'Brien was elected Auditor in May 2015 and reelected in May 2019. Mr. O'Brien's term will expire on the third Monday in July 2023.

Honorable

Beth McCann

District Attorney

Beth McCann is the District Attorney for the Second Judicial District. The District Attorney is a state official. She is the chief law enforcement officer in the district and is responsible for prosecuting all felonies, misdemeanors, and serious traffic offenses arising in the district. Ms. McCann became District Attorney in January 2017 and re-elected in 2021; her current term will end January 8, 2025.

Honorable

Paul D. López

Clerk and Recorder

Paul D. López was elected Clerk and Recorder in July 2019. Mr. López also serves as Public Trustee, City Clerk, and Ex-Officio Clerk of the City and County of Denver. Mr. López's term will expire on the third Monday in July 2023.

There are 13 city council members - 11 from equally-populated districts and two elected at-large. Council members, who must be 25 years of age, US citizens, and two-year Denver residents, are all elected at the same time every four years. All terms expire on the third Monday in July 2023.

Honorable
President Stacie Gilmore
Council District 11

Honorable
Robin Kniech
Council At-Large

Honorable
Deborah Ortega
Council At-Large

Honorable
Amanda Sandoval
Council District 1

Honorable
Kevin Flynn
Council District 2

Honorable
Jamie Torres
Council District 3

Honorable
Kendra Black
Council District 4

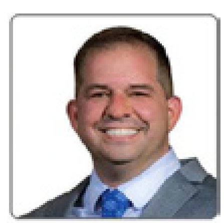
Honorable
Amanda Sawyer
Council District 5

Honorable
Paul Kashmann
Council District 6

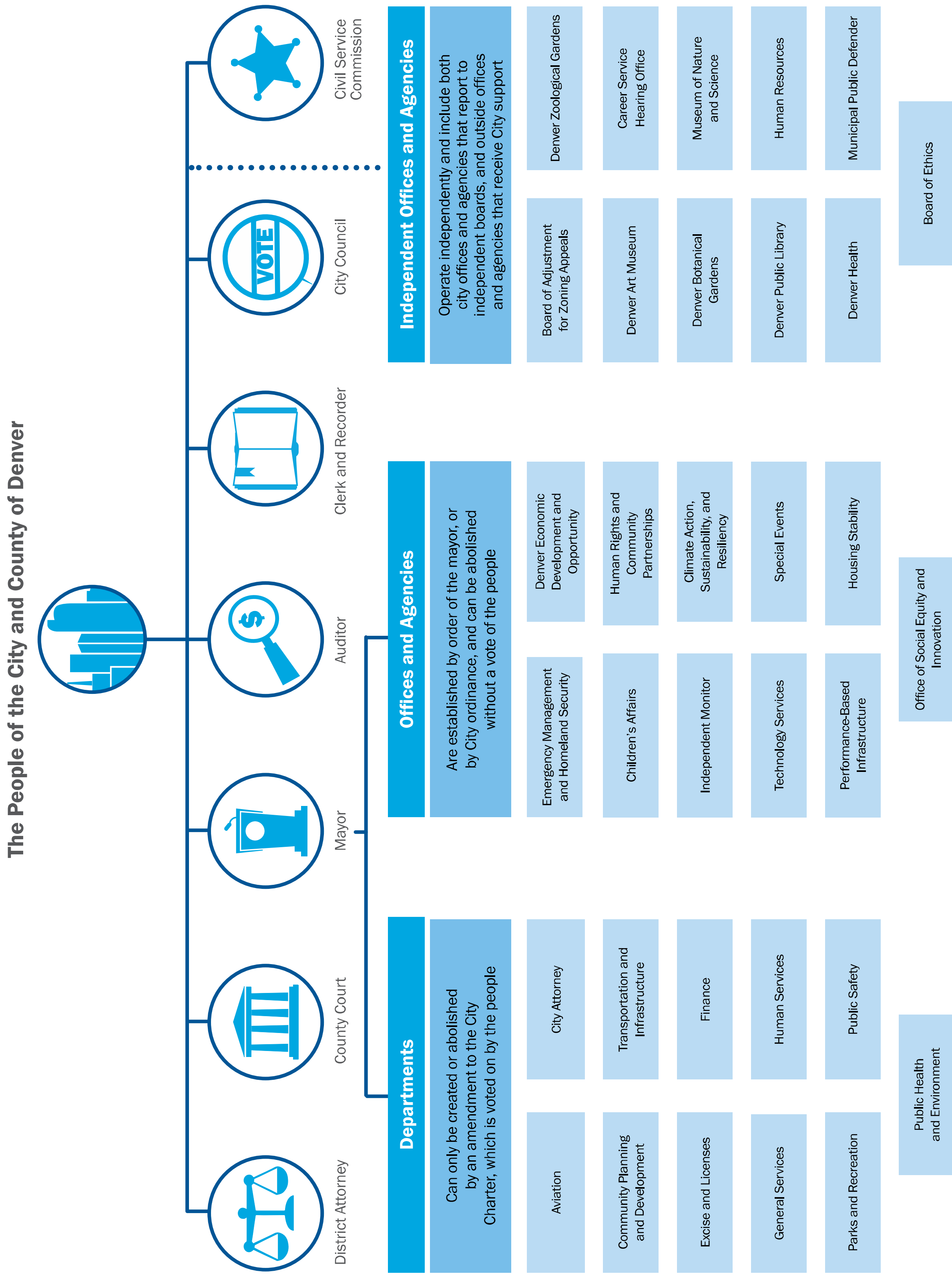
Honorable
Jolon Clark
Council District 7

Honorable
Christopher Herndon
Council District 8

Honorable
Candi CdeBaca
Council District 9



Honorable
Chris Hinds
Council District 10


The People of the City and County of Denver
District Attorney
County Court
Mayor
Auditor
Clerk and Recorder
City Council
VOTE
Civil Service Commission
Departments
Can only be created or abolished by an amendment to the City Charter, which is voted on by the people
Aviation
City Attorney
Community Planning and Development
Transportation and Infrastructure
Excise and Licenses
Finance
General Services
Human Services
Parks and Recreation
Public Safety
Public Health and Environment
Offices and Agencies
Are established by order of the mayor, or by City ordinance, and can be abolished without a vote of the people
Emergency Management and Homeland Security
Denver Economic Development and Opportunity
Children's Affairs
Human Rights and Community Partnerships
Independent Monitor
Climate Action, Sustainability, and Resiliency
Technology Services
Special Events
Performance-Based Infrastructure
Housing Stability
Office of Social Equity and Innovation
Independent Offices and Agencies
Operate independently and include both city offices and agencies that report to independent boards, and outside offices and agencies that receive City support
Board of Adjustment for Zoning Appeals
Denver Zoological Gardens
Denver Art Museum
Career Service Hearing Office
Denver Botanical Gardens
Museum of Nature and Science
Denver Public Library
Human Resources
Denver Health
Municipal Public Defender
Board of Ethics

The City and County of Denver is proud to have been recognized with an award for Outstanding Achievement for Excellence in Financial Reporting, Outstanding Achievement in Popular Annual Financial Reporting and the Distinguished Budget Presentation Award offered by the Government Finance Officers Association of the United States and Canada (GFOA)


Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City and County of Denver Colorado

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

December 31, 2020

Christopher P. Morrill

Executive Director/CEO

Outstanding Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City and County of Denver for its Annual Report for the fiscal year ended December 31, 2020.

The Certificate of Achievement is the highest form of recognition for excellence in state or local government financial reporting. The Certification of Achievement Program was established to encourage municipal governments to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

In order to be awarded a Certification of Achievement, a government unit must publish an easily-readable and efficiently-organized annual financial report, whose contents conform to program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments and address user needs. A Certificate of Achievement is valid for a period of one year only.

Outstanding Achievement in Popular Annual Financial Reporting

The GFOA has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City and County of Denver for its Popular Annual Financial Report for the fiscal year ended December 31, 2020. The Award for Outstanding Achievement in popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. An Award for Outstanding in Popular Annual Financial Reporting is valid for a period of one year only.

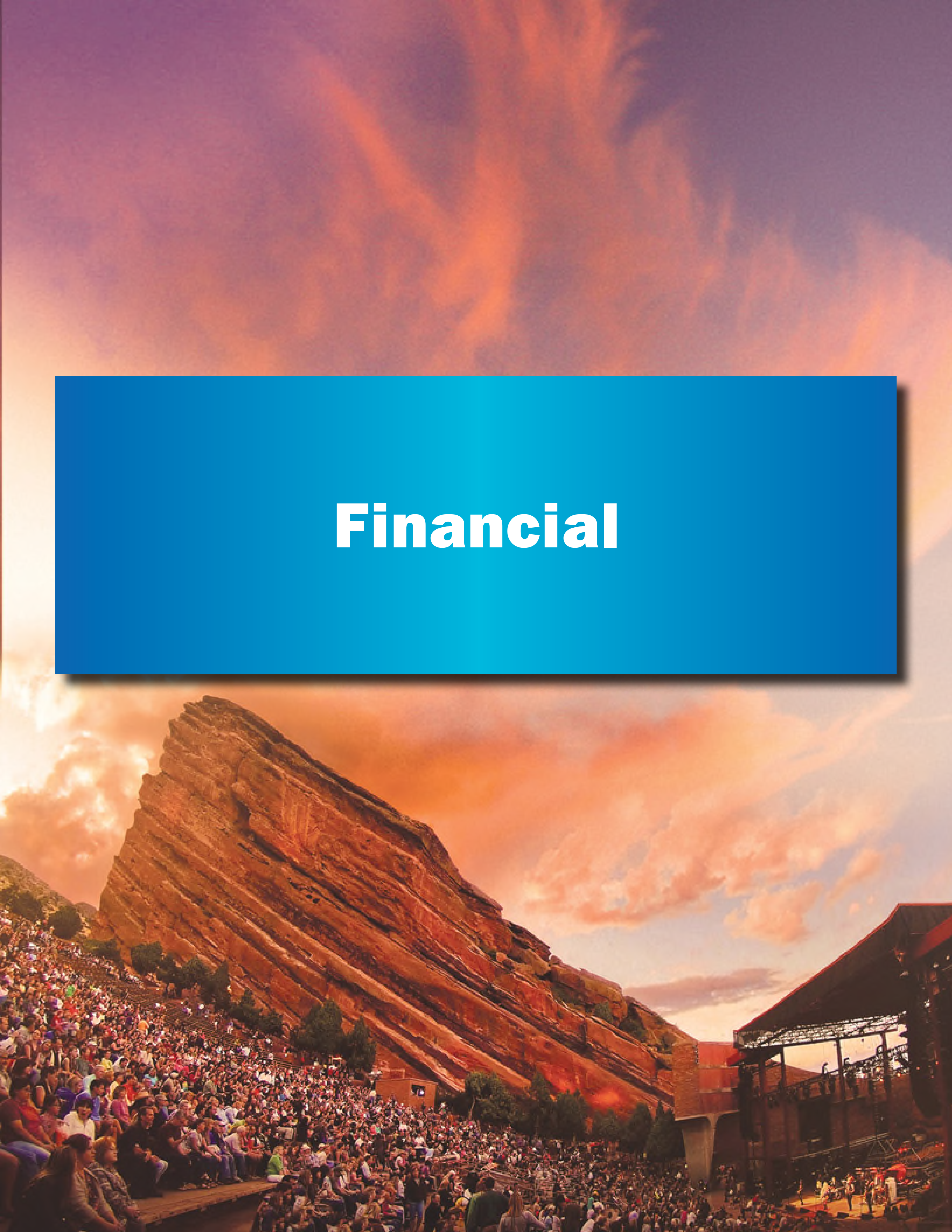
Distinguished Budget Presentation Award

The GFOA presented a Distinguished Budget Presentation Award to the City and County of Denver for its annual budget for the fiscal year beginning January 1, 2021 In order to receive this award, a governmental unit must publish a budget document that meets program criteria as policy document, as an operations guide, as a financial plan, and as a communications device. This award is valid for a period of one year only.

The Distinguished Budget Presentation Awards Program is specifically designed to encourage state and local governments to prepare and issue budget documents of the highest quality. Top-quality documents are essential if citizens and others with an interest in a government's finances are to be fully informed participants in the budget process. Better budget documents contribute to better decision making and enhanced accountability.

The Distinguished Budget Presentation Awards Program allows the public finance profession a welcome opportunity to recognize those governments that have, in fact, succeeded in preparing a high-quality budget document.

Financial



Tel: 970-352-1700
Fax: 970-352-1708
www.bdo.com

2015 Clubhouse Drive, Suite 203
Greeley, CO 80634

Independent Auditor's Report

Audit Committee
City and County of Denver, Colorado
Denver, Colorado

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City and County of Denver (the City), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Caring for Denver Foundation, Denver Convention Center Hotel Authority, Denver Urban Renewal Authority, National Western Center Authority, Cherry Creek North Business Improvement District (BID) No.1, Colfax BID, Denver Preschool Program, Inc., Downtown Denver BID, RiNo BID, or the Denver College Success Corporation, all of which are included as discretely presented components units, which represent 92.11 percent of total assets and deferred outflows of resources, 86.59 percent of total revenues, and 24.11 percent of net position (deficit) of the aggregate discretely presented component units as of and for the year ended December 31, 2021. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion on the aggregate discretely presented component units, insofar as it relates to the amounts included for the Caring for Denver Foundation, Denver Convention Center Hotel Authority, Denver Urban Renewal Authority, National Western Center Authority, Cherry Creek North BID No.1, Colfax BID, Denver Preschool Program, Inc., Downtown Denver BID, RiNo BID, or the Denver College Success Corporation, is based solely on the reports of the other auditors.

Additionally, we did not audit the financial statements of the Denver 14th Street General Improvement District (GID), Gateway Village GID, or RiNo GID which are included as blended component units, Denver Employee Retirement Plan, a fiduciary component unit and the Deferred Compensation Plan Trust Fund, a fiduciary fund of the City, which represent 53.10 percent of total assets, 21.97 percent of total revenues and 73.87 percent of net position/fund balance of the aggregate remaining fund information as of and for the year ended December 31, 2021. Those financial statements were audited by other auditors, whose reports have been furnished to us and our opinion on the aggregate remaining fund information, insofar as it relates to the amounts included for the Denver 14th Street GID, Gateway Village GID, RiNo GID, Denver Employee Retirement Plan and the Deferred Compensation Plan Trust Fund, is based solely on the reports of the other auditors. We also did not audit the financial statements of the Wastewater Management Enterprise Fund or the Denver Airport System Enterprise Fund, which are major enterprise funds of the City, and represent 99.26 percent, 97.69 percent and 98.12 percent, respectively, of the total assets, total revenues and net position of the business-type activities as of and for the year ended December 31, 2021. Those financial statements were audited by other auditors, whose reports have been furnished to us, and our opinion on the business-type activities, insofar as it relates to the amounts included for the Wastewater Management Enterprise Fund and the Denver Airport System Enterprise Fund, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Prior Period Financial Information

The financial statements of the City as of December 31, 2020 (not presented herein), were audited by other auditors whose report dated June 25, 2021, expressed unmodified opinions on the respective financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information. The report of the other auditors stated that the 2020 General Fund financial information was subjected to the auditing procedures applied in the audit of the 2020 basic financial statements and certain additional auditing procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS and, in their opinion, was fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2020.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, pension and other postemployment information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The 2021 combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2021 combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

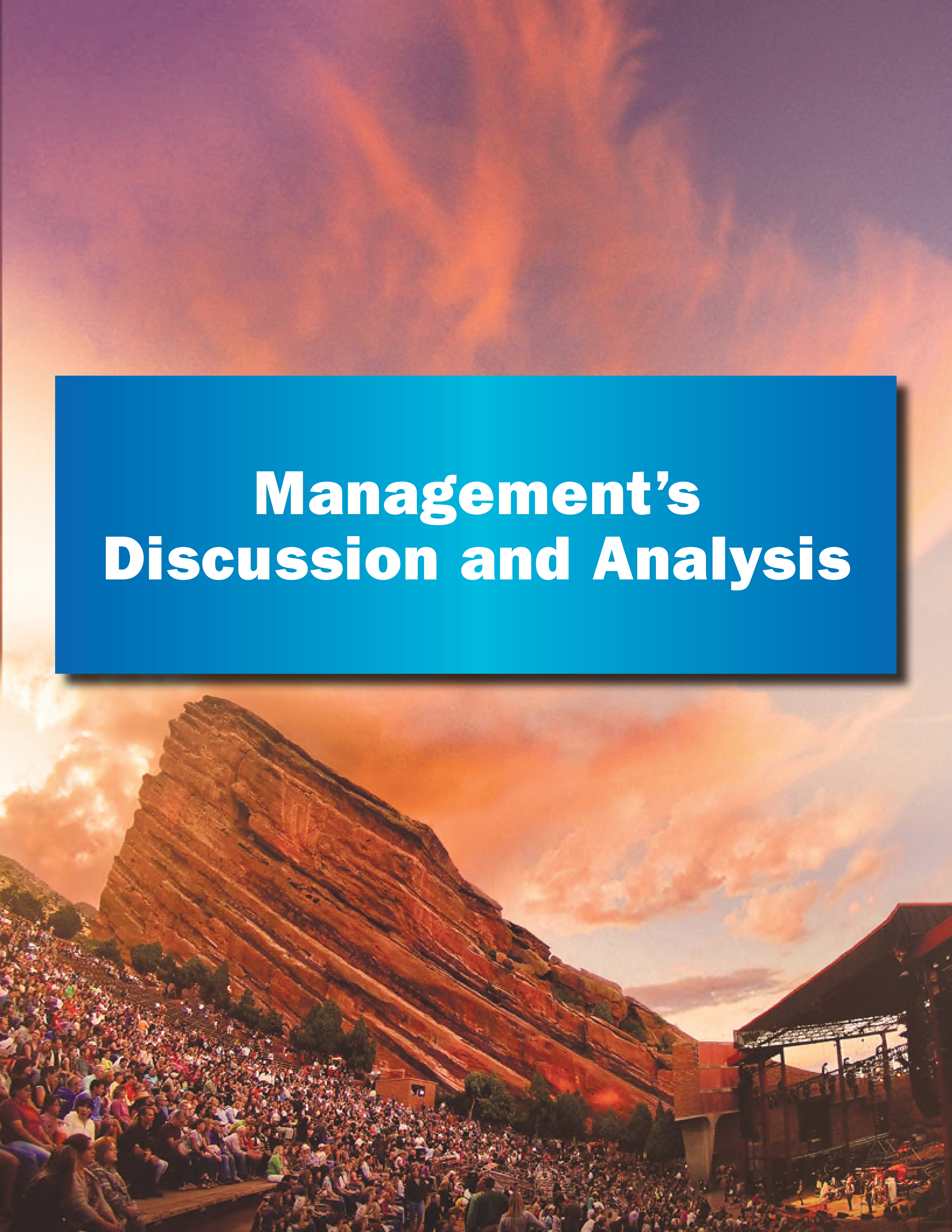
Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introduction section and statistical section listed in the table of contents, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

BDO USA, LLP

Denver, Colorado
June 29, 2022

Management's Discussion and Analysis



Management of the City and County of Denver (City) offers readers of the basic financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2021. Readers are encouraged to consider the information presented here in conjunction with additional information that is furnished in the letter of transmittal. The focus of the information herein is on the primary government.

Financial Highlights

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by $4,597,696,000 (net position). Of this amount, $926,490,000 represents a deficit of unrestricted net position.
- The City's total net position increased by $420,338,000, or 10.06%, over the prior year amount.
- As of close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $2,445,772,000, an increase of $472,069,000 in comparison with the prior year. Approximately 10.48% or $256,225,000 of the total fund balance amount constitutes unassigned fund balance, which is available for spending at the City's discretion.
- At the end of the current fiscal year, unassigned fund balance of the General Fund was $268,573,000, which represents 20.34% of total General Fund expenditures, including transfers out.
- The City's total bonded debt increased by $615,661,000 during the year. General obligation bonds decreased by $91,304,000 and revenue bonds increased by $706,965,000.
- The City implemented GASB Statement No. 98, *The Annual Comprehensive Financial Report*. This establishes the term annual comprehensive financial report and acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym.

Overview of the Financial Statements

This discussion and analysis is intended as an introduction to the City's basic financial statements. The basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. In addition to the basic financial statements, also provided are required and other supplementary information.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities reports how the City's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation and sick leave).

The governmental activities reflect the City's basic services, including police, fire, public works, sanitation, economic development, culture, and recreation. Sales and property taxes finance the majority of these services.

The business-type activities reflect private sector-type operations, such as Wastewater Management; the Denver Airport System, including Denver International Airport (DEN); and Golf Courses, where fees for services typically cover all or most of the cost of operations, including depreciation.

The government-wide financial statements include not only the City itself (referred to as the primary government), but also other legally separate entities for which the City is financially accountable. Financial information for most of these component units are reported separately from the financial information presented for the primary government itself. A few component units, although legally separate, function essentially as an agency of the City and, therefore, are included as an integral part of the City.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on the balances left at year-end that are available for spending. Consequently, the governmental fund financial statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the long-term focus of the government-wide statements, additional information is provided that reconciles the governmental fund financial statements to the government-wide statements explaining the relationship (or differences) between them.

The City maintains 22 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Bond Projects capital fund, and Human Services special revenue fund, each of which is considered to be a major fund. Data from the other 20 governmental funds are combined into a single aggregated presentation. Individual fund data for these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for the General Fund and the Human Services special revenue fund. Project-length budgets are adopted for the remaining special revenue funds and capital project funds. A budgetary comparison schedule has been provided for the General Fund and the Human Services special revenue fund to demonstrate compliance with these budgets in accordance with U.S. GAAP.

The City maintains two different types of **proprietary funds**: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Wastewater Management, Denver Airport System, Environmental Services, and Golf Course funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for employee self-insurance benefits and asphalt plant operations. The internal service funds provide services which predominantly benefit governmental rather than business-type functions. They have been included within governmental activities with an adjustment to reflect the consolidation for internal service fund activities related to the enterprise funds in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Wastewater Management and the Denver Airport System, both of which are considered to be major funds of the City. Data for the other two enterprise funds and all of the internal service funds are combined into their respective single aggregated presentations. Individual fund data for the nonmajor enterprise funds and all of the internal service funds are provided in the form of combining statements elsewhere in this report.

The City uses **fiduciary funds** to account for assets held on behalf of outside parties, including other governments. The City uses fiduciary funds to account for pension, health and other employee benefits trust funds. In addition to employee related trust funds, the City accounts for private purpose trust funds and custodial funds in the fiduciary funds.

Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The **notes to basic financial statements** provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information in addition to the basic financial statements and accompanying notes is presented in the form of certain required supplementary information concerning the City's budgetary comparison schedules the net pension liability, the net OPEB liability, and the implicit rate subsidy on other postemployment benefits.

The combining statements supplementary information referred to earlier in connection with nonmajor funds, internal service funds, and nonmajor component units are presented immediately following the budgetary comparison required supplementary information.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by $4,597,696,000 at the close of the most recent fiscal year. Net position of $2,897,919,000 (63.03%) reflects investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment) less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Net positions of the City also include $2,626,267,000 (57.12%) of restricted net position. These are resources subject to external restrictions as to how they may be used by the City.

Table 1 reflects the City's net position (dollars in thousands) as of December 31, 2021 and 2020:

Table 1

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**
Other Assets	$ 3,647,111	$ 2,924,429	$ 3,280,924	$ 3,291,979	$ 6,928,035	$ 6,216,408
Capital Assets	3,636,664	3,511,321	6,547,721	5,794,889	10,184,385	9,306,210
Total Assets	**7,283,775**	**6,435,750**	**9,828,645**	**9,086,868**	**17,112,420**	**15,522,618**
Deferred Outflows	**421,081**	**398,413**	**105,468**	**123,589**	**526,549**	**522,002**
Noncurrent Liabilities	4,352,380	3,972,348	7,008,452	6,602,324	11,360,832	10,574,672
Other Liabilities	534,431	399,732	392,334	313,820	926,765	713,552
Total Liabilities	**4,886,811**	**4,372,080**	**7,400,786**	**6,916,144**	**12,287,597**	**11,288,224**
Deferred Inflows	**721,366**	**566,456**	**32,310**	**12,582**	**753,676**	**579,038**
Net Position						
Net Investment In Capital Assets	2,286,715	2,002,667	611,204	610,628	2,897,919	2,613,295
Restricted	2,236,907	1,396,675	389,360	660,987	2,626,267	2,057,662
Unrestricted	(2,426,943)	(1,503,715)	1,500,453	1,010,116	(926,490)	(493,599)
Total Net Position	**$ 2,096,679**	**$ 1,895,627**	**$ 2,501,017**	**$ 2,281,731**	**$ 4,597,696**	**$ 4,177,358**

Table 2 reflects the City's changes in net position (dollars in thousands) for the years ended December 31, 2020 and 2021.

Table 2

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**
Revenues						
Program revenues:						
Charges for services	$ 399,523	$ 311,005	$ 1,068,000	$ 801,253	$ 1,467,523	$ 1,112,258
Operating grants and contributions	411,790	329,212	-	-	411,790	329,212
Capital grants and contributions	108,977	104,157	38,141	42,872	147,118	147,029
General revenues:						-
Facilities development admissions tax	12,760	1,808	-	-	12,760	1,808
Lodgers tax	90,696	47,149	-	-	90,696	47,149
Motor vehicle ownership fee	28,988	25,921	-	-	28,988	25,921
Occupational privilege tax	52,319	50,669	-	-	52,319	50,669
Property tax	533,823	510,841	-	-	533,823	510,841
Sales and use tax	1,079,287	791,510	-	-	1,079,287	791,510
Specific ownership tax	88	82	-	-	88	82
Telephone tax	15,050	13,107	-	-	15,050	13,107
Investment income	-	97,767	-	162,114	-	259,881
Other revenues	70,635	74,434	252,385	343,704	323,020	418,138
Total revenues	**2,803,936**	**2,357,662**	**1,358,526**	**1,349,943**	**4,162,462**	**3,707,605**
Expenses						
General government	651,338	594,462	-	-	651,338	594,462
Public safety	805,223	855,496	-	-	805,223	855,496
Transportation and Infrastructure	351,142	306,170	-	-	351,142	306,170
Human services	165,061	159,248	-	-	165,061	159,248
Health	129,433	130,305	-	-	129,433	130,305
Parks and recreation	114,000	106,702	-	-	114,000	106,702
Cultural activities	147,593	123,649	-	-	147,593	123,649
Community development	172,452	178,505	-	-	172,452	178,505
Economic opportunity	15,354	12,385	-	-	15,354	12,385
Interest on long-term debt	55,630	60,650	-	-	55,630	60,650
Wastewater management	-	-	150,482	151,126	150,482	151,126
Denver airport system	-	-	921,608	964,700	921,608	964,700
Other enterprise funds	-	-	28,683	28,552	28,683	28,552
Total expenses	**2,607,226**	**2,527,572**	**1,100,773**	**1,144,378**	**3,707,999**	**3,671,950**
Change in net position before transfers and special item	196,710	(169,910)	257,753	205,565	454,463	35,655
Transfers	1,594	4,964	(1,594)	(4,964)	-	-
Transfers of Capital Assets	(1,405)	(2,250)	1,405	2,250	-	-
Special item	-	-	-	-	-	-
Change in net position	**196,899**	**(167,196)**	**257,564**	**202,851**	**454,463**	**35,655**
Net position - January 1, as previously reported	1,895,627	2,051,730	2,281,731	2,078,880	4,177,358	4,130,610
Implementation of GASB Statement No. 84	-	11,093	-	-	-	
Net Position - January 1, as restated	1,895,627	2,062,823	2,281,731	2,078,880	4,177,358	4,141,703
Net position - December 31	**$ 2,092,526**	**$ 1,895,627**	**$ 2,539,295**	**$ 2,281,731**	**$ 4,631,821**	**$ 4,166,265**

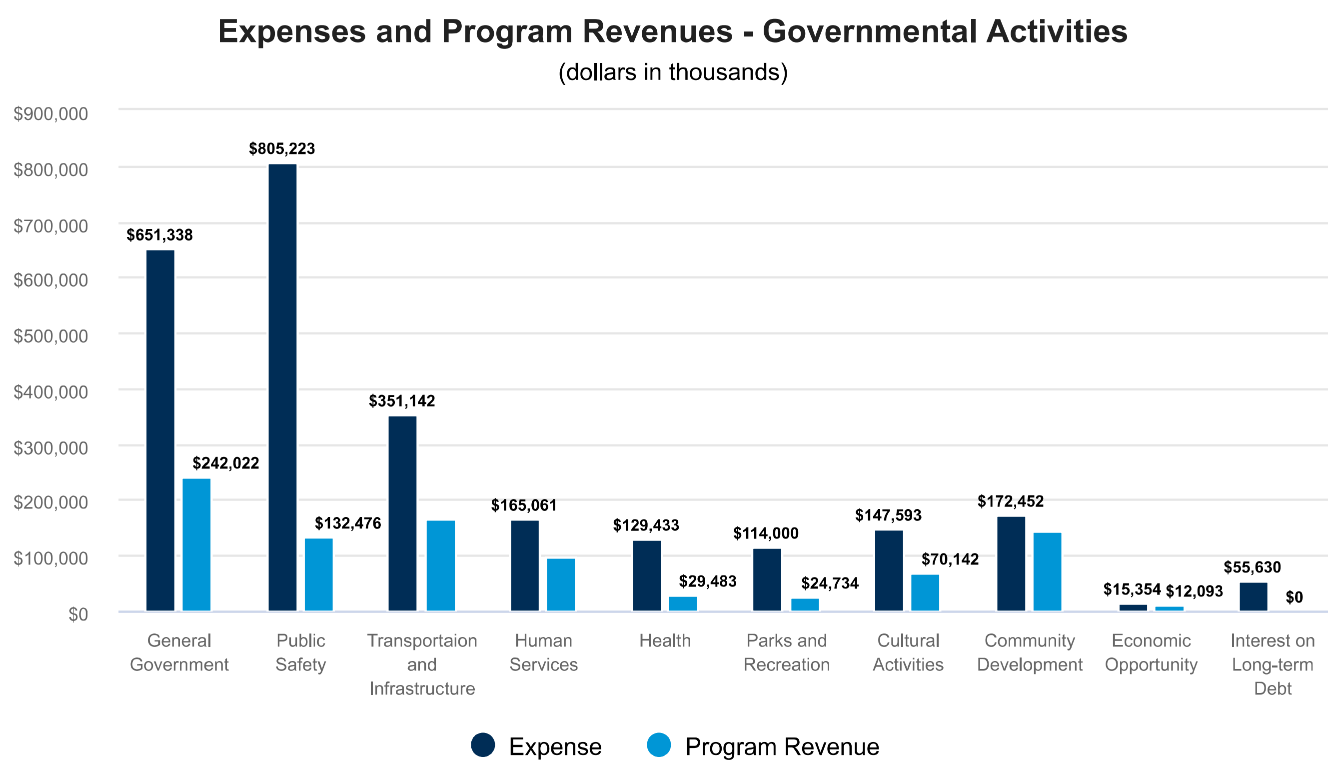
Governmental activities increased the City's net position by $201,052,000 for the year ended December 31, 2021. Key elements of the increase are as follows:

- Property tax and sales and use taxes totaled 88.97% of all tax revenues and 57.53% of all governmental activities' revenues. Property tax recorded in the governmental funds totaled $533,823,000 for an increase of $22,982,000 (4.50%) while sales and use tax revenues of $1,079,287,000 were up $287,777,000 (36.36%)

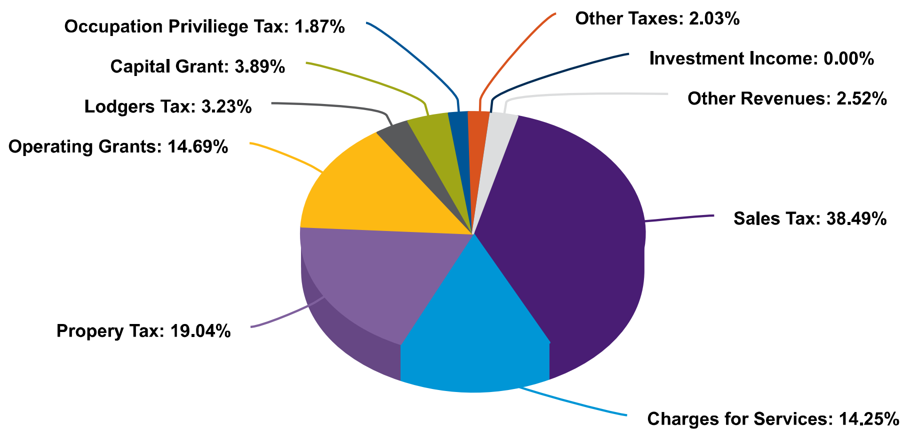
compared to 2020, reflecting a significant increase in consumer spending for retail and food services as the city lifted the COVID-19 pandemic restrictions.

- Lodgers tax increased $43,547,000 (92.36%) mainly due to Denver's COVID-19 restrictions being lifted and with occupancy rates in Denver-area lodging facilities averaged 58% in 2021 compared to 42% in 2020.
- Total governmental activities expenses increased $79,654,000 (3.15%) primarily due to continued costs related to the city's response to the COVID-19 pandemic, which was supported by federal and state funds of approximately $189,000,000. These costs included supporting emergency sheltering, PPE, testing, and workplace safety purchases, as well as programs assisting with economic recovery, housing support, public health needs, food assistance and other programs. General government expenses increased $56,876,000 (9.57%), again mainly due to costs associated with responding to the pandemic that were funded by federal grants. Public Safety expenses decreased $50,273,000 (5.88%), in part by adopting a strategy of using Federal Emergency Management Agency (FEMA) public assistance funding first. Transportation and Infrastructure expense increased $44,972,000 (14.69%), mainly due to a decrease in personnel costs offset by capital project activity costs related to the construction of the National Western Center. Human Services expenses increased $5,813,000 (3.65%) in part, due to an increase in personnel costs.

General government expenses in 2021 were $651,338,000 (24.98%) of total expenses. Public safety expenses $805,223,000 (30.88%) of total expenses. Transportation and Infrastructure expenses were $351,142,000 (13.47%) of total expenses. Cultural activities were $147,593,000 (5.66%) of total expenses. Human services expenses were $165,061,000 (6.33%) of total expenses. The remainder of the governmental activities expenses is comprised of health with $129,433,000 (4.96%), parks and recreation with $114,000,000 (4.37%) community development with $172,452,000 (6.61%), economic opportunity with $15,354,000 (0.59%), and interest on long-term debt of $55,630,000 (2.13%).



Revenues by Sources - Governmental Activities

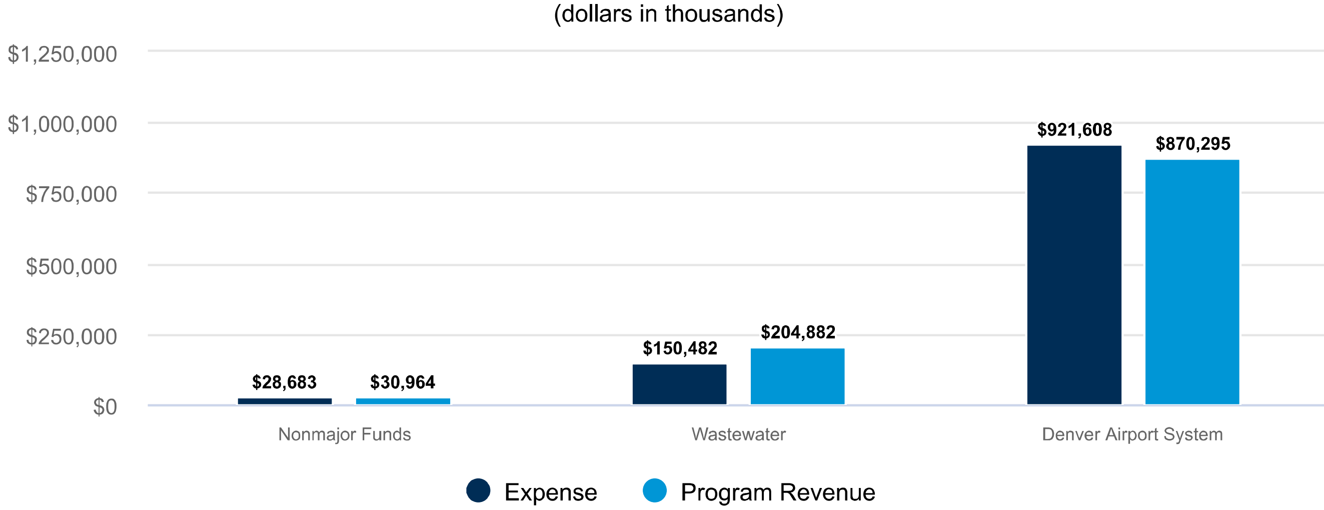


Business-type activities increased the City's net position by $219,286,000. Key elements of this increase are as follows:

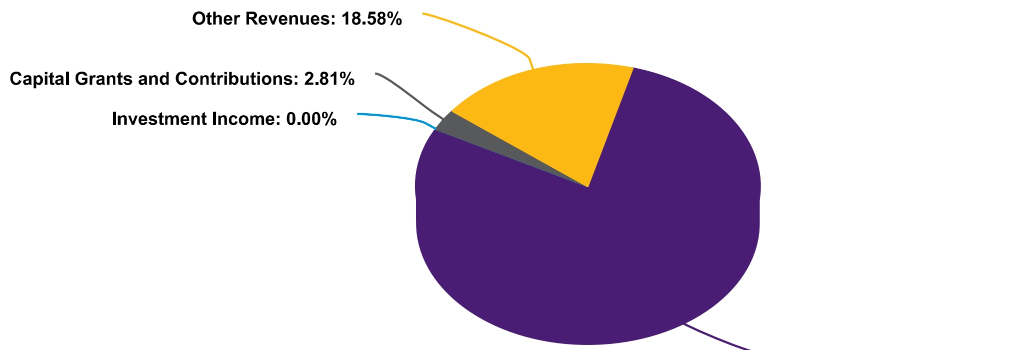
- Total revenues of $1,358,526,000 were $8,583,000 (0.64%) higher compared to prior year amounts. For the Denver Airport System, the change was primarily due to a decrease in the signatory terminal complex rental rates and an increase in airline revenue credit. For Wastewater Management, there was a slight increase in revenue due to rate increases.
- Total expenses of $1,100,773,000 decreased by $43,605,000 (3.81%) when compared to the prior year. For the Denver Airport System, their expenses decreased primarily due to a reduction in personnel costs in pension and OPEB expenses. For Wastewater Management, there was a slight decrease in expenses primarily due to contractual services, offset by increases in Metro Water Recovery charges and depreciation.

Expenses and Program Revenues - Business-Type Activities

(dollars in thousands)



Revenues by Source - Business-Type Activities



Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on current year revenues, expenditures, and balances of spendable resources. Such information is useful in assessing the City's near-term financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2021, the City's governmental funds reported combined ending fund balances of $2,445,772,000, an increase of $472,069,000, in comparison with the prior year. Approximately 10.48% or $256,225,000 of the total fund balance amount constitutes unassigned fund balance, which is available for spending at the City's discretion.

The General Fund is the chief operating fund of the City. As of December 31, 2021, unassigned fund balance of the General Fund was $268,573,000 while total fund balance was $440,437,000. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 20.34% of total General Fund expenditures, including transfers out, of $1,320,378,000 while total fund balance represents 33.36% of the same amount.

The total fund balance of the City's General Fund increased by $150,556,000 51.94% during the year ended December 31, 2021. This is due to the effects of the city lifting COVID-19 pandemic restrictions that resulted in a significant increase to the City's primary source of revenue, sales and use tax.

Almost every revenue source increased slightly in 2021 due to the lifting of the COVID-19 pandemic restrictions. General Fund revenues including transfers in, totaled $1,470,072,000, an increase of $176,048,000 or 13.60%. Certain revenues in the General Fund that changed from 2020 to 2021 include:

- Sales and use taxes earned were higher by $163,477,000. This increase is directly related to an increase in retail and services consumer spending as a result of ending pandemic restrictions.
- Property taxes were higher by $11,875,000 due primarily to increases in the assessed value of property taxed during 2021.
- Investment and interest income was lower by $(28,623,000) due in part to increasing interest rates and a decrease in the financial markets from a higher growth market in 2020.

Fine and forfeitures revenue in the General Fund increased of $6,999,000 largely due to an increase in parking fine revenue.

Total General Fund expenditures, including transfers out, decreased by $57,904,000 or (4.20%). The primary drivers of this decrease are reduced hiring and holding vacant positions, reduced support for capital improvement programs and citywide furlough days.

The Human Services fund had a total fund balance of $100,767,000. This amounts to a net increase in fund balance of $18,264,000 during the current year. The primary reasons for the change include an increase in revenue of approximately $4,000,000 as well as a decrease in transfers out of approximately $17,732,000 to provide funding for homeless services.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Total net position of Wastewater Management was $882,410,000 and for the Denver Airport System net position was $1,572,016,000. Net position for all enterprise funds was $2,501,436,000. Other significant factors concerning the finances of the enterprise funds can be found in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

Differences between the General Fund original budget and the final amended budget include a revision to both the projected revenues and expenditures.

Original revenue estimates for 2021, prepared in the summer of 2020, assumed moderate growth in the local and national economies. Sales and use tax revenue was originally projected to grow by 15.3% over the 2020 revised forecast and total General Fund revenue was projected to increase by 7.9% over 2020 revised figures. In the summer of 2021, the original General Fund revenue forecast, including transfers in, was revised upward by $62,848,400 or 5.0%.

Capital Assets and Bonded Debt Administration

Capital Assets

The City's capital assets for its governmental and business-type activities as of December 31, 2021, were $10,184,385,000 (net of accumulated depreciation). This investment in capital assets includes land and land rights, collections, buildings and improvements, equipment and other, park facilities, and, for governmental activities, infrastructure (including streets, alleys, traffic signals, bridges, fiber optic cable, and trails). Infrastructure-type assets of business-type activities are reported as buildings and improvements. The City's capital assets by type at December 31, 2021 and 2020 are shown in **Table 3** (dollars in thousands)

Table 3

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**
Land and construction in progress	$ 1,025,049	$ 874,536	$ 2,121,005	$ 1,783,242	$ 3,146,054	$ 2,657,778
Buildings and Improvements	2,647,318	2,589,148	7,584,202	7,045,533	10,231,520	9,634,681
Equipment and other	359,362	352,458	1,181,513	1,073,964	1,540,875	1,426,422
Collections	52,279	51,539	-	-	52,279	51,539
Intangibles	27,811	29,080	38,613	38,890	66,424	67,970
Infrastructure	2,084,700	2,023,267	-	-	2,084,700	2,023,267
Less accumulated depreciation	(2,559,855)	(2,408,707)	(4,377,612)	(4,146,740)	(6,937,467)	(6,555,447)
Total	**$ 3,636,664**	**$ 3,511,321**	**$ 6,547,721**	**$ 5,794,889**	**$ 10,184,385**	**$ 9,306,210**

Major capital asset activity for the year ended December 31, 2021, included the following:

- **Governmental Activities** - Work on the National Western Center (NWC) continues to proceed and includes costs related to land acquisition within the NWC campus boundaries, preparation for rail consolidation, environmental analysis, preliminary design, engineering and construction.

- **Business-type Activities** - Wastewater's net capital assets increased approximately $26,500,000 primarily due to the spending of bond proceeds, which increased collection system assets. The Denver Airport System had a 15.10% increase in capital assets due to additional capital assets entering service and additions to construction in progress related to the 2018-2022 Capital Program.

Additional information on the City's capital asset activity for the year can be found in **Note III-D** in the notes to basic financial statements.

Bonded Debt

At December 31, 2021, the City had total bonded indebtedness of $7,829,471,000. Of this amount, $751,066,000 comprises debt backed by the full faith and credit of the City. The remainder of the City's debt, $7,078,405,000 represents bonds and commercial paper notes secured by specified revenue sources (i.e., revenue bonds of the Denver Airport System, Wastewater Management, and excise tax revenue bonds). The City has no outstanding commercial paper notes as of December 31, 2021.

As of December 31, 2021, the City's general obligation debt is rated AAA by Standard & Poor's rating agency, Fitch Ratings, and Moody's Investors Service. Outstanding bonded debt at December 31, 2021 and 2020 is reflected in **Table 4** (dollars in thousands).

Table 4

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**
General obligation bonds	$ 751,066	$ 842,370	$ -	$ -	$ 751,066	$ 842,370
Revenue bonds	849,000	589,430	6,229,405	5,782,010	7,078,405	6,371,440
Total	**$ 1,600,066**	**$ 1,431,800**	**$ 6,229,405**	**$ 5,782,010**	**$ 7,829,471**	**$ 7,213,810**

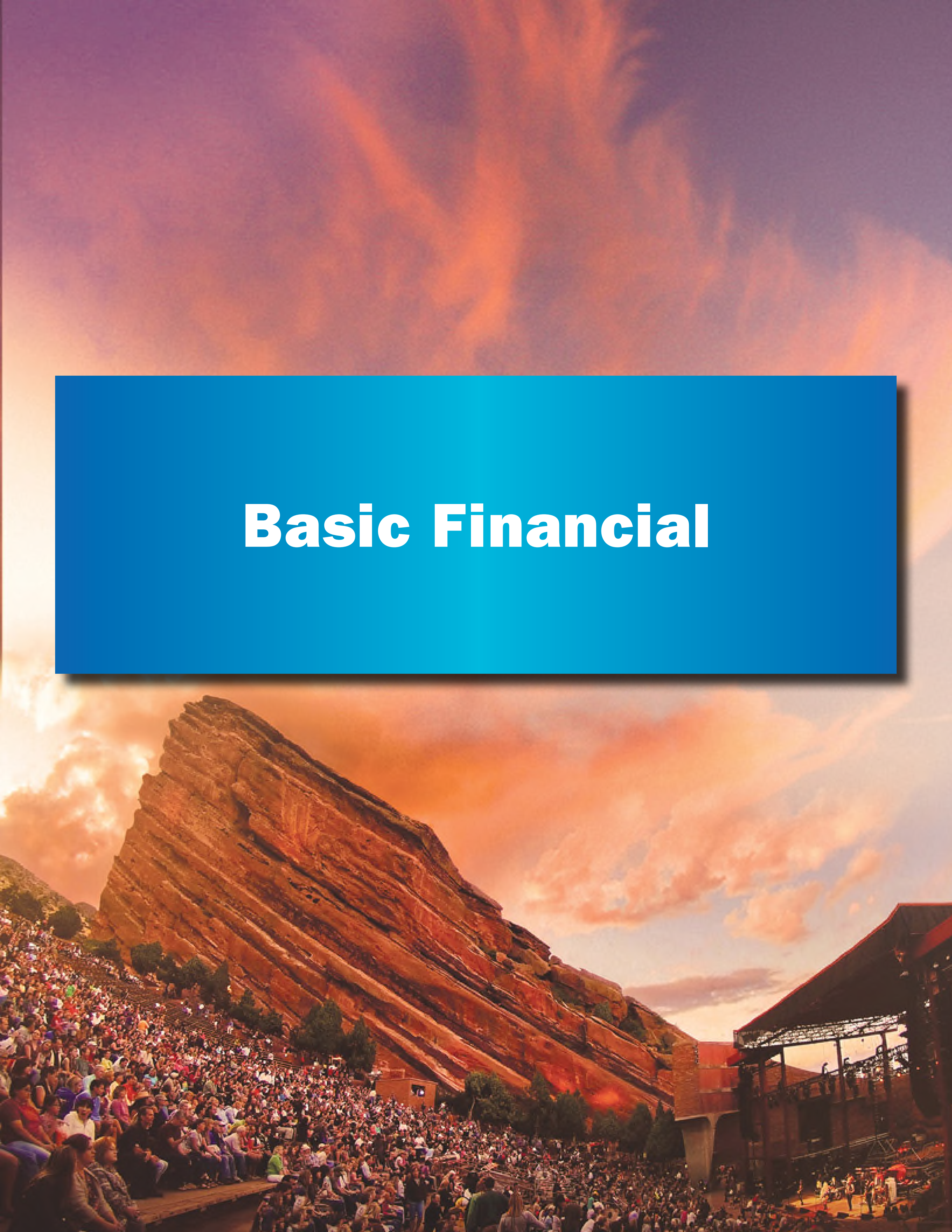
Additional information on the City's bonded debt for the year can be found in **Note III-G** in the notes to the basic financial statements.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning the information provided in this report or requests for additional financial information should be addressed to:

Controller's Office
201 W Colfax Avenue, Dept 1109
Denver, CO 80202

This report is available online at www.denvergov.org/finance.



Basic Financial

This page intentionally left blank

Statement of Net Position

December 31, 2021 (dollars in thousands)

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Assets				
Cash on hand	$ 5,737	$ -	$ 5,737	$ -
Cash and cash equivalents	1,730,705	97,947	1,828,652	117,033
Investments	-	1,461,720	1,461,720	32,043
Receivables, net				
Taxes	691,490	-	691,490	187,209
Notes	77,752	-	77,752	-
Accounts	31,219	151,235	182,454	8,064
Accrued interest	9,262	7,677	16,939	166
Other	-	-	-	2,458
Due from other governments	172,692	-	172,692	-
Internal balances	33,761	(33,761)	-	-
Inventories	96	9,287	9,383	-
Prepaid items and other assets	16,922	20,992	37,914	1,403
Restricted assets:				
Cash and cash equivalents	782,184	117,973	900,157	13,875
Investments	-	1,319,742	1,319,742	234,495
Accounts receivable	-	14,167	14,167	-
Accrued interest receivable	-	3,281	3,281	-
Pension asset	65,973	-	65,973	-
Long-term receivables, net	28,503	107,657	136,160	-
Prepaid expense - non-current	815	91	906	-
Interest rate swaps	-	2,916	2,916	-
Capital assets:				
Land and construction in progress	1,025,049	2,121,005	3,146,054	41,838
Buildings, improvements, infrastructure, collections, and equipment, net of accumulated depreciation	2,611,615	4,426,716	7,038,331	135,505
Total Assets	**7,283,775**	**9,828,645**	**17,112,420**	**774,089**
Deferred Outflows of Resources				
Accumulated fair value of hedging derivatives	22,119	775	22,894	-
Deferred loss on refundings	7,048	50,997	58,045	13,239
Items related to OPEB and pension plans	391,914	53,696	445,610	-
Total Deferred Outflows of Resources	**421,081**	**105,468**	**526,549**	**13,239**

See accompanying notes to basic financial statements

Statement of Net Position, continued

December 31, 2021 (dollars in thousands)

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Liabilities				
Vouchers payable	213,873	139,918	353,791	6,360
Accrued liabilities	91,684	61,372	153,056	81,018
Unearned revenue	201,812	19,271	221,083	6,344
Interest rate swaps	23,974	9,902	33,876	-
Advances and advance rent	2,584	35,366	37,950	2,793
Due to taxing units	504	-	504	-
Due to other governments	-	-	-	49
Liabilities payable from restricted assets	-	126,505	126,505	-
Noncurrent liabilities:				
Due within one year	160,026	980,218	1,140,244	63,253
Due in more than one year	4,192,354	6,028,234	10,220,588	548,374
Total Liabilities	**4,886,811**	**7,400,786**	**12,287,597**	**708,191**
Deferred Inflows of Resources				
Property taxes	565,927	-	565,927	181,891
Deferred gain on refunding	2,565	4,053	6,618	-
Items related to pension and OPEB plans	152,874	28,257	181,131	-
Total Deferred Inflows of Resources	**721,366**	**32,310**	**753,676**	**181,891**
Net Position				
Net investment in capital assets	2,286,715	611,204	2,897,919	(91,579)
Restricted for:				
Capital projects and grants	1,792,384	18,111	1,810,495	65,531
Emergency use	61,209	-	61,209	16,748
Debt service	297,425	371,249	668,674	35,704
Pension asset	65,973	-	65,973	-
Donor and other restrictions:				
Expendable	-	-	-	71,153
Nonexpendable	3,000	-	3,000	-
Other purposes	16,916	-	16,916	-
Unrestricted (deficit)	(2,426,943)	1,500,453	(926,490)	(200,311)
Total Net Position (Deficit)	**2,096,679**	**2,501,017**	**$ 4,597,696**	**$ (102,754)**

See accompanying notes to basic financial statements

Statement of Activities

For the Year Ended December 31, 2021 (dollars in thousands)

		Program Revenues		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**
Primary Government				
Governmental Activities:				
General government	$ 651,338	$ 103,977	$ 120,899	$ 17,146
Public safety	805,223	101,188	31,145	143
Transportation and infrastructure	351,142	73,000	22,585	71,690
Human services	165,061	567	95,765	-
Health	129,433	3,003	26,480	-
Parks and recreation	114,000	6,806	1,859	16,069
Cultural activities	147,593	52,792	13,421	3,929
Community development	172,452	58,190	87,543	-
Economic opportunity	15,354	-	12,093	-
Interest on long-term debt	55,630	-	-	-
Total Governmental Activities	**2,607,226**	**399,523**	**411,790**	**108,977**
Business-type Activities:				
Wastewater management	150,482	191,555	-	13,327
Denver airport system	921,608	845,481	-	24,814
Environmental services	12,542	13,626	-	-
Golf course	16,141	17,338	-	-
Total Business-type Activities	**1,100,773**	**1,068,000**	**-**	**38,141**
Total Primary Government	**$ 3,707,999**	**$ 1,467,523**	**$ 411,790**	**$ 147,118**
Component Units	**$ 337,985**	**$ 38,306**	**$ 4,831**	**$ -**

General Revenues and Transfers

Taxes

Facilities development admissions

Lodgers

Motor vehicle ownership fee

Occupational privilege

Property

Sales and use

Specific ownership

Telephone

Net investment and interest income (loss)

Other revenues

Transfers in (out)

Capital asset transfer in (out)

Total General Revenues and Transfers

Change in net position

Net position (deficit) - January 1

Net Position (deficit) - December 31

See accompanying notes to basic financial statements

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
$ (409,316)	$ -	$ (409,316)	
(672,747)	-	(672,747)	
(183,867)	-	(183,867)	
(68,729)	-	(68,729)	
(99,950)	-	(99,950)	
(89,266)	-	(89,266)	
(77,451)	-	(77,451)	
(26,719)	-	(26,719)	
(3,261)	-	(3,261)	
(55,630)	-	(55,630)	
(1,686,936)	**-**	**(1,686,936)**	
-	54,400	54,400	
-	(51,313)	(51,313)	
-	1,084	1,084	
-	1,197	1,197	
-	**5,368**	**5,368**	
$ (1,686,936)	**$ 5,368**	**$ (1,681,568)**	
			$ (294,848)
12,760	-	12,760	-
90,696	-	90,696	143,035
28,988	-	28,988	-
52,319	-	52,319	-
533,823	-	533,823	72,418
1,079,287	-	1,079,287	-
88	-	88	390
15,050	-	15,050	-
4,153	(38,278)	(34,125)	1,256
70,635	252,385	323,020	79,805
1,594	(1,594)	-	-
(1,405)	1,405	-	-
1,887,988	**213,918**	**2,101,906**	**296,904**
201,052	219,286	420,338	2,056
1,895,627	2,281,731	4,177,358	(104,810)
$ 2,096,679	**$ 2,501,017**	**$ 4,597,696**	**$ (102,754)**

Balance Sheet - Governmental Funds

December 31, 2021 (dollars in thousands)

	General	Bond Projects	Human Services	Other Governmental Funds	Total Governmental Funds
Assets					
Cash on hand	$ 195	$ -	$ 80	$ 5,462	$ 5,737
Cash and cash equivalents	355,628	-	102,600	1,205,070	1,663,298
Receivables, net					
Taxes	269,817	-	80,301	341,372	691,490
Notes	3,388	-	-	74,364	77,752
Accounts	31,033	-	25	27,869	58,927
Accrued interest	1,429	2,662	-	4,930	9,021
Interfund receivable	50,535	-	-	131	50,666
Due from other governments	-	-	10,868	161,824	172,692
Prepaid items and other assets	14,231	-	67	2,624	16,922
Restricted assets:					
Cash and cash equivalents	20,351	696,910	-	64,923	782,184
Prepaid expense - non-current	-	-	-	815	815
Total Assets	**$ 746,607**	**$ 699,572**	**$ 193,941**	**$ 1,889,384**	**$ 3,529,504**
Liabilities and Fund Balances					
Liabilities:					
Vouchers payable	$ 55,756	$ 37,391	$ 6,935	$ 109,854	$ 209,936
Accrued liabilities	49,623	-	3,998	2,204	55,825
Due to taxing units	504	-	-	-	504
Interfund payable	2,277	-	1,133	15,167	18,577
Unearned revenue	-	-	-	201,812	201,812
Advances	107	-	188	2,289	2,584
Compensated absences	-	-	-	67	67
Total Liabilities	**108,267**	**37,391**	**12,254**	**331,393**	**489,305**
Deferred Inflows of Resources:					
Unavailable revenues - property tax	182,453	-	80,920	302,551	565,924
Unavailable revenues - long-term receivables	15,450	-	-	13,053	28,503
Total Deferred Inflows of Resources	**197,903**	**-**	**80,920**	**315,604**	**594,427**
Fund Balances:					
Nonspendable	14,231	-	67	6,440	20,738
Restricted	81,161	662,181	100,700	1,228,292	2,072,334
Committed	76,472	-	-	18,465	94,937
Assigned	-	-	-	1,538	1,538
Unassigned	268,573	-	-	(12,348)	256,225
Total Fund Balances	**440,437**	**662,181**	**100,767**	**1,242,387**	**2,445,772**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 746,607**	**$ 699,572**	**$ 193,941**	**$ 1,889,384**	**$ 3,529,504**

See accompanying notes to basic financial statements

Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position

December 31, 2021 (dollars in thousands)

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balance-governmental funds.	$	2,445,772
Capital assets used in governmental activities, excluding internal service funds of $2,792 are not financial resources, and therefore, are not reported in the funds.		3,633,872
Pension asset		65,973
Accrued interest payable not included in the funds.		(29,920)
Deferred inflow of resources are not available to pay for current period expenditures and therefore, are not recorded in the funds.		
Pensions		(135,627)
Gain on refunding		(2,565)
OPEB		(17,247)
Long term receivables		28,503
Property tax		(3)
Deferred outflow of resources are not financial resources, and therefore are not reported in the funds and include:		
Accumulated fair value of hedging derivatives		22,119
Pensions		342,879
Loss on refunding		7,048
OPEB		49,035
Interest rate swap liability.		(23,974)
Internal service funds are used by management to charge the cost of these funds to their primary users-governmental funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		26,718
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds (this excludes internal service liabilities of $36,476).		(4,315,904)
Net position of governmental activities	**$**	**2,096,679**

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

For the Year Ended December 31, 2021 (dollars in thousands)

	General	Bond Projects	Human Services	Other Governmental Funds	Total Governmental Funds
Revenues					
Taxes:					
Facilities development admissions	$ -	$ -	$ -	$ 12,760	$ 12,760
Lodgers	24,765	-	-	65,931	90,696
Motor vehicle ownership fee	28,988	-	-	-	28,988
Occupational privilege	52,319	-	-	-	52,319
Property	164,429	-	76,645	292,749	533,823
Sales and use	802,273	-	-	277,014	1,079,287
Specific ownership	-	-	-	88	88
Telephone	536	-	-	14,514	15,050
Special assessments	-	-	-	1,285	1,285
Licenses and permits	67,135	-	-	1,798	68,933
Intergovernmental revenues	39,424	-	95,621	332,082	467,127
Charges for services	194,768	-	567	96,439	291,774
Investment and interest income (loss)	712	4,110	-	(1,056)	3,766
Fines and forfeitures	37,196	-	-	335	37,531
Contributions	309	-	145	18,009	18,463
Other revenue	11,446	-	298	57,811	69,555
Total Revenues	**1,424,300**	**4,110**	**173,276**	**1,169,759**	**2,771,445**
Expenditures					
Current:					
General government	352,408	1,716	-	213,095	567,219
Public safety	574,704	-	-	95,933	670,637
Transportation and infrastructure	132,180	110,455	-	110,062	352,697
Human services	2,712	-	153,158	-	155,870
Health	48,472	-	-	79,703	128,175
Parks and recreation	68,200	-	-	21,235	89,435
Cultural activities	47,641	6	-	67,772	115,419
Community development	52,880	-	-	116,348	169,228
Economic opportunity	1,619	-	-	13,567	15,186
Debt service:					
Principal retirement	14,044	-	-	134,754	148,798
Interest	5,831	-	-	60,070	65,901
Capital outlay	-	50,548	232	115,517	166,297
Total Expenditures	**1,300,691**	**162,725**	**153,390**	**1,028,056**	**2,644,862**
Excess (deficiency) of revenues over (under) expenditures	123,609	(158,615)	19,886	141,703	126,583
Other Financing Sources (Uses)					
Sale of capital assets	73	-	-	130	203
Issuance of capital leases	-	-	-	14,812	14,812
Bond premium	-	52,197	-	-	52,197
Issuance of bonds	-	273,830	-	-	273,830
Insurance recoveries	789	-	-	340	1,129
Capital asset transfer	-	-	-	(279)	(279)
Transfers in	45,772	27,302	188	136,068	209,330
Transfers out	(19,687)	(33,432)	(1,810)	(150,807)	(205,736)
Total Other Financing Sources (Uses)	**26,947**	**319,897**	**(1,622)**	**264**	**345,486**
Net change in fund balances	150,556	161,282	18,264	141,967	472,069
Fund balances - January 1	289,881	500,899	82,503	1,100,420	1,973,703
Fund Balances - December 31	**$ 440,437**	**$ 662,181**	**$ 100,767**	**$ 1,242,387**	**$ 2,445,772**

See accompanying notes to basic financial statements

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities

For the Year Ended December 31, 2021 (dollars in thousands)

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	$ 472,069
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay and capital related expenditures exceeded depreciation expense in the current period:	
Capital expenditures excluding capital transfer	268,028
Depreciation expense	(169,887)
Loss on disposal of assets	(6,404)
Certain revenues are recorded in the funds under modified accrual but not considered revenue in the statement of activities.	
Donation of capital assets to enterprise funds	(1,405)
Donation of capital assets from others	35,178
The issuance of long-term debt and other obligations (e.g., bonds, certificates of participation, and capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however has any effect on change in net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. These differences in the treatment of long-term debt and related items consist of:	
General obligation bonds and certificates of participation	(273,830)
Capital lease obligations	(14,855)
Premium on debt issued in current year	(52,197)
Principal retirement on bonds	119,170
Amortization of premium, discounts, and deferred gain (loss) on refunding	15,828
Capital lease principal payments	29,329
Principal payments on GID revenue note	299
Some expenses reported in the statement of activities do not impact current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Compensated absences (excluding internal service)	18,930
Accrued interest payable	(11,180)
Legal liability	(147,635)
Amortization of imputed debt-swap	387
Portion of pension expense that do not require current financial resources	(30,389)
Pension amortization	(36,865)
Portion of OPEB and OPEB implicit expense that do not require current financial resources	(15,928)
OPEB and OPEB implicit amortization	10,605
Internal service funds are used by management to charge their cost to individual funds. The net expense of certain activities of internal service funds is reported within governmental activities.	(8,196)
Change in net position of governmental activities	**$ 201,052**

See accompanying notes to basic financial statements

Statement of Net Position - Proprietary Funds

December 31, 2021 (dollars in thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities
	Wastewater Management	Denver Airport System	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Assets					
Current assets:					
Cash and cash equivalents	$ 11,390	$ 57,688	$ 28,869	$ 97,947	$ 67,407
Investments	56,037	308,599	-	364,636	-
Receivables, net					
Accounts	28,721	118,895	3,619	151,235	795
Accrued interest	876	6,693	108	7,677	241
Inventories	-	9,182	105	9,287	96
Interfund receivable	1,689	807	1,356	3,852	1,324
Prepaid items and other assets	-	20,990	2	20,992	-
Restricted assets:					
Cash and cash equivalents	-	113,758	4,215	117,973	-
Investments	5,640	317,570	-	323,210	-
Accounts receivable	-	14,167	-	14,167	-
Accrued interest receivable	-	3,256	25	3,281	-
Total Current Assets	**104,353**	**971,605**	**38,299**	**1,114,257**	**69,863**
Noncurrent assets:					
Investments - restricted	14,357	982,175	-	996,532	-
Investments - unrestricted	142,655	954,429	-	1,097,084	-
Capital assets:					
Land and construction in progress	53,751	2,062,782	4,472	2,121,005	-
Buildings and improvements	27,984	4,865,468	40,622	4,934,074	5,712
Improvements other than buildings	1,237,863	1,412,265	-	2,650,128	-
Machinery and equipment	16,199	1,154,318	10,996	1,181,513	2,769
Intangibles	6,375	32,238	-	38,613	-
Accumulated depreciation	(393,153)	(3,959,856)	(24,603)	(4,377,612)	(5,689)
Net capital assets	949,019	5,567,215	31,487	6,547,721	2,792
Long-term receivables, net	-	107,651	6	107,657	-
Prepaid expense and other assets	-	91	-	91	-
Interest rate swaps	-	2,916	-	2,916	-
Total Noncurrent Assets	**1,106,031**	**7,614,477**	**31,493**	**8,752,001**	**2,792**
Total Assets	**1,210,384**	**8,586,082**	**69,792**	**9,866,258**	**72,655**
Deferred Outflows of Resources					
Accumulated fair value of hedging activities	-	775	-	775	-
Deferred loss on refundings	70	50,927	-	50,997	-
Items related to pension and OPEB plans	10,097	39,868	3,731	53,696	-
Total Deferred Outflows of Resources	**10,167**	**91,570**	**3,731**	**105,468**	**-**

See accompanying notes to basic financial statements

Statement of Net Position - Proprietary Funds, continued

December 31, 2021 (dollars in thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities
	Wastewater Management	Denver Airport System	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Liabilities					
Current liabilities:					
Vouchers payable	$ 1,247	137,991	$ 680	$ 139,918	$ 3,936
Revenue bonds payable	8,085	-	-	8,085	-
Revenue credit payable	-	40,000	-	40,000	-
Accrued Liabilities	2,513	46,735	401	49,649	5,873
Unearned revenue	18,647	-	624	19,271	-
Interfund payable	936	35,879	379	37,194	71
Advance rent	-	35,366	-	35,366	-
Capital lease obligations	874	-	1,045	1,919	-
Compensated absences	782	2,255	514	3,551	124
Claims reserve		-	-	-	10,024
Construction payable	7,390	-	-	7,390	-
Due to other governments	4,333	-	-	4,333	-
OPEB implicit rate subsidy	240	865	88	1,193	-
Current liabilities (payable from restricted assets):					
Vouchers payable	-	1,696	821	2,517	-
Retainages payable	-	92,949	-	92,949	-
Accrued interest and other liabilities	-	24,861	-	24,861	-
Other accrued liabilities	-	6,178	-	6,178	-
Revenue bonds payable	-	925,470	-	925,470	-
Total Current Liabilities	**45,047**	**1,350,245**	**4,552**	**1,399,844**	**20,028**
Noncurrent liabilities:					
Interest rate swaps	-	9,902	-	9,902	-
Revenue bonds payable, net	232,166	5,418,728	-	5,650,894	-
Net pension and OPEB liability	51,507	210,381	17,917	279,805	-
Capital lease obligations	1,891	-	1,075	2,966	-
Compensated absences	3,583	9,617	895	14,095	123
Legal and claims reserve	-	80,474	-	80,474	25,786
Total Noncurrent Liabilities	**289,147**	**5,729,102**	**19,887**	**6,038,136**	**25,909**
Total Liabilities	**334,194**	**7,079,347**	**24,439**	**7,437,980**	**45,937**
Deferred Inflows of Resources					
Deferred gain on refunding of debt	-	4,053	-	4,053	-
Items related to pension and OPEB plans	3,947	22,236	2,074	28,257	-
Total Deferred Inflows of Resources	**3,947**	**26,289**	**2,074**	**32,310**	**-**
Net Position					
Net investment in capital assets	718,680	(136,825)	29,349	611,204	2,792
Restricted for:					
Capital projects	-	14,692	3,419	18,111	-
Debt service	-	371,249	-	371,249	-
Unrestricted	163,730	1,322,900	14,242	1,500,872	23,926
Total Net Position	**$ 882,410**	**$ 1,572,016**	**$ 47,010**	**$ 2,501,436**	**$ 26,718**
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds				(419)	
Net position of business-type activities				**$ 2,501,017**	

See accompanying notes to basic financial statements

Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds

For the Year Ended December 31, 2021 (dollars in thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities
	Wastewater Management	Denver Airport System	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Operating Revenues					
Charges for services	$ 191,555	$ 716,396	$ 30,964	$ 938,915	$ 81,889
Other revenue	-	-	461	461	6,825
Total Operating Revenues	**191,555**	**716,396**	**31,425**	**939,376**	**88,714**
Operating Expenses					
Personnel services	30,292	178,530	13,815	222,637	2,830
Contractual services	22,215	213,225	8,677	244,117	7,761
Supplies and materials	935	18,867	1,166	20,968	8,363
Depreciation and amortization	26,714	226,852	2,704	256,270	167
District water treatment charges	61,805	-	-	61,805	71,405
Other operating expenses	376	44,830	2,321	47,527	661
Legal and claims reserve	-	5,961	-	5,961	3,081
Total Operating Expenses	**142,337**	**688,265**	**28,683**	**859,285**	**94,268**
Operating income (loss)	49,218	28,131	2,742	80,091	(5,554)
Nonoperating Revenues (Expenses)					
Investment and interest income (loss)	(2,837)	(34,937)	(504)	(38,278)	(466)
Passenger facility charges	-	113,500	-	113,500	-
Customer facility fee	-	15,585	-	15,585	-
Intergovernmental revenue	912	-	191	1,103	-
Disposition of assets	142	-	-	142	-
Interest expense	(8,145)	(221,738)	-	(229,883)	-
Stimulus funds	-	250,880	-	250,880	
Other income (expense)	-	(11,605)	-	(11,605)	-
Net Nonoperating Revenues (Expenses)	**(9,928)**	**111,685**	**(313)**	**101,444**	**(466)**
Income before capital grants, contributions, and transfers	39,290	139,816	2,429	181,535	(6,020)
Capital grants and contributions	13,327	24,814	-	38,141	-
Transfers in (out)	1,102	198	(2,894)	(1,594)	(2,000)
Capital asset transfer	1,401	-	4	1,405	-
Change in net position	55,120	164,828	(461)	219,487	(8,020)
Net position - January 1	827,290	1,407,188	47,471	2,281,949	34,738
Net Position - December 31	**$ 882,410**	**$ 1,572,016**	**$ 47,010**	**$ 2,501,436**	**$ 26,718**
Change in net position of enterprise funds				$ 219,487	
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds				(201)	
Change in net position of business-type activities				**$ 219,286**	

See accompanying notes to basic financial statements

Statement of Cash Flows - Proprietary Funds

For the Year Ended December 31, 2021 (dollars in thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities
	Wastewater Management	Denver Airport System	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Cash Flows From Operating Activities					
Receipts from customers	$ 191,778	$ 664,507	$ 30,631	$ 886,916	$ 81,692
Payments to suppliers	(86,896)	(229,341)	(11,831)	(328,068)	(21,589)
Payments to employees	(27,471)	(161,171)	(12,779)	(201,421)	2,798
Additions from Custodial Activities	23,677	-	-	23,677	-
Deductions from Custodial Activities	(22,938)	-	-	(22,938)	-
Other receipts	-	-	461	461	6,825
Interfund activity	633	(19,459)	-	(18,826)	-
Claims paid	-	-	-	-	(71,405)
Net Cash Provided by (Used in) Operating Activities	**78,783**	**254,536**	**6,482**	**339,801**	**(1,679)**
Cash Flows From Noncapital Financing Activities					
Operating grants received	-	-	138	138	-
Transfers in (out)	1,185	-	(3,032)	(1,847)	(2,000)
Net Cash (Used In) Noncapital Financing Activities	**1,185**	**-**	**(2,894)**	**(1,709)**	**(2,000)**
Cash Flows From Capital and Related Financing Activities					
Insurance proceeds	-	726,220	-	726,220	-
Principal payments	(8,550)	(242,910)	(449)	(251,909)	-
Interest payments	(8,251)	(250,958)	(8)	(259,217)	-
Other bond costs	-	(4,820)	-	(4,820)	-
Passenger facility charges	-	108,387	-	108,387	-
Capital grant receipts	-	14,099	-	14,099	-
CARES Act grant receipts	-	6,402	-	6,402	-
CRRSA Act grant receipts	-	48,641	-	48,641	-
ARPA Act grant receipts	-	195,188	-	195,188	-
Car rental customer facility charges	-	14,285	-	14,285	-
Payments on capital assets acquired through construction payables	(8,646)	-	-	(8,646)	-
Acquisition and construction of capital assets	(38,801)	(932,418)	(1,112)	(972,331)	(637)
Cash received for capital projects	3,945	-		3,945	-
Payments to escrow for current refunding of debt	-	(30,415)	-	(30,415)	-
Proceeds from sale of capital assets	142	677	-	819	-
Intergovernmental revenues	912	-	-	912	-
Net insurance claim (recovery) costs - capital assets	-	(1,120)	-	-	-
Net Cash Provided by (Used In) Capital and Related Financing Activities	**(59,249)**	**(348,742)**	**(1,569)**	**(408,440)**	**(637)**
Cash Flows From Investing Activities					
Purchases of investments	(312,638)	(1,050,122)	-	(1,362,760)	-
Proceeds from sale of investments	300,430	1,143,417	-	1,443,847	-
Payments to maintain assets held for disposition	-	(22)	-	(22)	-
Insurance recoveries for stapleton environmental remediation	-	22	-	-	-
Interest received	(2,643)	(37,035)	-	(39,678)	(441)
Net Cash Provided by (Used In) Investing Activities	**(14,851)**	**56,260**	**-**	**41,387**	**(441)**
Net increase (decrease) in cash and cash equivalents	5,868	(37,946)	2,019	(30,059)	(4,757)
Cash and cash equivalents - January 1	5,522	209,392	31,065	245,979	72,164
Cash and Cash Equivalents - December 31	**$ 11,390**	**$ 171,446**	**$ 33,084**	**$ 215,920**	**$ 67,407**

See accompanying notes to basic financial statements

Statement of Cash Flows - Proprietary Funds, continued

For the Year Ended December 31, 2021 (dollars in thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities
	Wastewater Management	Denver Airport System	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities					
Operating income (loss)	$ 49,218	$ 28,131	$ 2,742	$ 80,091	$ (5,554)
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:					
Depreciation and amortization	26,714	226,852	2,683	256,249	167
Changes in Assets and Liabilities					
(Increase) Decrease in Accounts Receivable	1,138	(95,302)	(591)	(94,755)	1,118
(Increase) Decrease in Interfund Receivable	(1,631)	339	345	(947)	(1,315)
(Increase) Decrease in Inventories	-	114	72	186	121
(Increase) Decrease in Prepaid Items	-	(3,878)	-	(3,878)	-
Increase (Decrease) in Vouchers Payable	(1,565)	12,246	(83)	10,598	704
Increase (Decrease) in Unearned Revenue	716	(5,169)	27	(4,426)	-
Increase (Decrease) in Accrued and Other Liabilities	(12)	(225)	35	(202)	5,699
Increase (Decrease) in Interfund Payable	633	28,875	303	29,811	7
Increase (Decrease) in Due to Metro Water Recovery	739	-	-	739	-
Increase (Decrease) in Legal and Claims Reserved	-	5,961	-	5,961	-
Increase (Decrease) in Other Operating Liabilities	-	48,880	-	48,880	(2,626)
Deferred Outflows Related to Pension and OPEB	-	1,738	330	2,068	-
Deferred Inflows Related to Pension and OPEB	-	16,223	1,478	17,701	-
Net Pension and OPEB Liability	2,833	(10,249)	(859)	(8,275)	-
Net Cash Provided by (Used in) Operating Activities	$ 78,783	$ 254,536	$ 6,482	$ 339,801	$ (1,679)
Noncash Activities					
Assets acquired through capital contributions	$ 5,255	$ -	$ -	$ 5,255	$ -
Unrealized gain on investments	-	(96,175)	-	(96,175)	-
Unrealized gain on derivatives	-	8,353	-	8,353	-
Proceeds from bond issuance	-	28,900	-	28,900	-
Payments to escrow agent:					
Current refunding	-	(28,900)	-	(28,900)	-
Capital assets acquired through accounts payable	7,399	136,405	-	143,804	-
Amortization of bond premiums and deferred losses and prepaid bond insurance	933	28,482	-	29,415	-
Net gain (loss) on disposal of capital assets	(83)	(29,868)	-	(29,951)	-
Capital assets transferred to other City departments/ agencies	2,287	-	4	2,291	-

See accompanying notes to basic financial statements

Statement of Fiduciary Net Position - Fiduciary Funds

December 31, 2021 (dollars in thousands)

	Pension, Health, and Other Trust Funds	Custodial Funds
Assets		
Cash and cash equivalents	$ 85,139	$ 25,178
Securities lending collateral	77,081	-
Receivables, net		
Taxes	-	1,309,253
Accounts	72	339
Accrued interest	1,369	-
Investments:		
U.S. Government obligations	416,012	-
Domestic stocks and bonds	805,084	-
International stocks	555,365	-
Mutual funds	742,871	-
Alternative investments	576,543	-
Real estate	241,720	-
Other	295,171	-
Total Investments	**3,632,766**	**-**
Prepaid and other assets	10,357	-
Capital assets, net of accumulated depreciation	2,330	-
Total Assets	**3,809,114**	**1,334,770**
Liabilities		
Vouchers payable	2,238	1,909
Securities lending obligation	77,295	-
Other accrued liabilities	306	3,759
Due to taxing units	-	1,324,450
Total Liabilities	**79,839**	**1,330,118**
Deferred inflow of resources	**22**	**-**
Net Position		
Net position restricted for pensions	2,665,046	-
Net position restricted for OPEB benefits	84,707	-
Net position held in trust for deferred compensation benefits	979,224	-
Net position held in trust for other purposes	276	4,652
Net Position Restricted for Pensions, OPEB and Other Purposes	**$ 3,729,253**	**$ 4,652**

See accompanying notes to basic financial statements

Statement of Changes in Fiduciary Net Position - Fiduciary Funds

For the Year Ended December 31, 2021 (dollars in thousands)

	Pension, Health, and Other Trust Funds	Custodial Funds
Additions		
Contributions:		
City and County of Denver	$ 112,205	$ -
Denver Health and Hospital Authority	5,065	-
Plan members	118,602	-
Foreclosure deposits and inmate deposits	-	4,880
Tax collections	-	1,377,340
Unclaimed payments and wages	-	1,454
Court deposits and police confiscation monies	-	6,855
Total Contributions	**235,872**	**1,390,529**
Investment Earnings:		
Net appreciation in fair value of investments	472,538	-
Interest and dividends	31,391	-
Real estate, alternative investments, and absolute absolute return income	26,450	-
Total Investment Earnings	**530,379**	**-**
Less Investment Expense	(14,295)	-
Net Investment Costs	**516,084**	**-**
Securities Lending Income (Expense):		
Securities lending income	264	-
Borrower rebates	91	-
Agent fees	(89)	-
Net Earnings From Securities Lending	**266**	**-**
Total Net Investment Earnings	**516,350**	**-**
Total Additions	**752,222**	**1,390,529**
Deductions		
Benefits	340,528	-
Refunds Of contributions	7,744	-
Administrative expenses	5,701	-
Payments for foreclosure activities and payments to inmates	-	5,219
Distributions of taxes to outside entities	-	1,377,340
Unclaimed payments and wages claimed	-	1,454
Distribution of court deposits and police confiscation monies	-	6,325
Total Deductions	**353,973**	**1,390,338**
Change in net position	398,249	191
Net position - January 1	3,331,004	4,461
Net Position - December 31	**$ 3,729,253**	**$ 4,652**

See accompanying notes to basic financial statements

Statement of Net Position - Component Units

December 31, 2021 (dollars in thousands)

	Caring for Denver Foundation	Denver Convention Center Hotel Authority	Denver Urban Renewal Authority	Downtown Denver Development Authority	National Western Center Authority	Other Component Units	Total
Assets							
Cash and cash equivalents	$ 40,143	$ 3,592	$ 8,090	$ 18,850	$ 2,343	44,015	$ 117,033
Investments	28,521	-	-	-	412	3,110	32,043
Receivables (net of allowances):							
Taxes	-	-	129,581	41,130	44	16,454	187,209
Accounts	5,644	1,301	327	-	-	792	8,064
Accrued interest	-	-	166	-	-	-	166
Other	-	-	2,388	-	-	70	2,458
Prepaid items and other assets	83	1,144	105	-	3	68	1,403
Restricted Assets:							
Cash and cash equivalents	-	-	13,612	-	-	263	13,875
Investments	-	93,933	140,285	-	-	277	234,495
Capital Assets:							
Land and construction in progress	-	23,421	-	-	-	18,417	41,838
Buildings and improvements	-	242,394	94	-	32	656	243,176
Machinery and equipment	-	34,713	220	-	44	9,250	44,227
Accumulated depreciation	-	(137,478)	(230)	-	(34)	(14,156)	(151,898)
Net Capital Assets	**-**	**163,050**	**84**	**-**	**42**	**14,167**	**177,343**
Total Assets	**74,391**	**263,020**	**294,638**	**59,980**	**2,844**	**79,216**	**774,089**
Deferred Outflows of Resources							
Deferred loss on refundings	-	4,226	8,040	-	-	973	13,239
Total Deferred Outflows of Resources	**-**	**4,226**	**8,040**	**-**	**-**	**973**	**13,239**
Liabilities							
Vouchers payable	276	1,144	-	-	31	4,909	6,360
Accrued liabilities	97	18,914	61,650	-	95	262	81,018
Unearned revenue	-	6,244	-	-	100	-	6,344
Advances	-	2,605	188	-	-	-	2,793
Due to other governments	-	-	49	-	-	-	49
Noncurrent liabilities:							
Due within one year	12,683	8,670	25,495	10,248	-	6,157	63,253
Due in more than one year	6,683	279,500	162,152	88,090	680	11,269	548,374
Total Liabilities	**19,739**	**317,077**	**249,534**	**98,338**	**906**	**22,597**	**708,191**
Deferred Inflows of Resources							
Property taxes	-	-	124,297	41,130	-	16,464	181,891
Total Deferred Inflows of Resources	**-**	**-**	**124,297**	**41,130**	**-**	**16,464**	**181,891**
Net Position							
Net investment in capital assets	-	(94,198)	84	-	-	2,535	(91,579)
Restricted for:							
Capital projects	-	37,730	27,760	-	-	41	65,531
Emergency use	-	16,273	-	-	-	475	16,748
Debt service	-	1,808	33,549	-	-	347	35,704
Donor and other restrictions:							
Expendable	53,603	11,425	5,725	-	400	-	71,153
Unrestricted (deficit)	1,049	(22,869)	(138,271)	(79,488)	1,538	37,730	(200,311)
Total Net Position (Deficit)	**$ 54,652**	**$ (49,831)**	**$ (71,153)**	**$ (79,488)**	**$ 1,938**	**$ 41,128**	**$ (102,754)**

See accompanying notes to basic financial statements

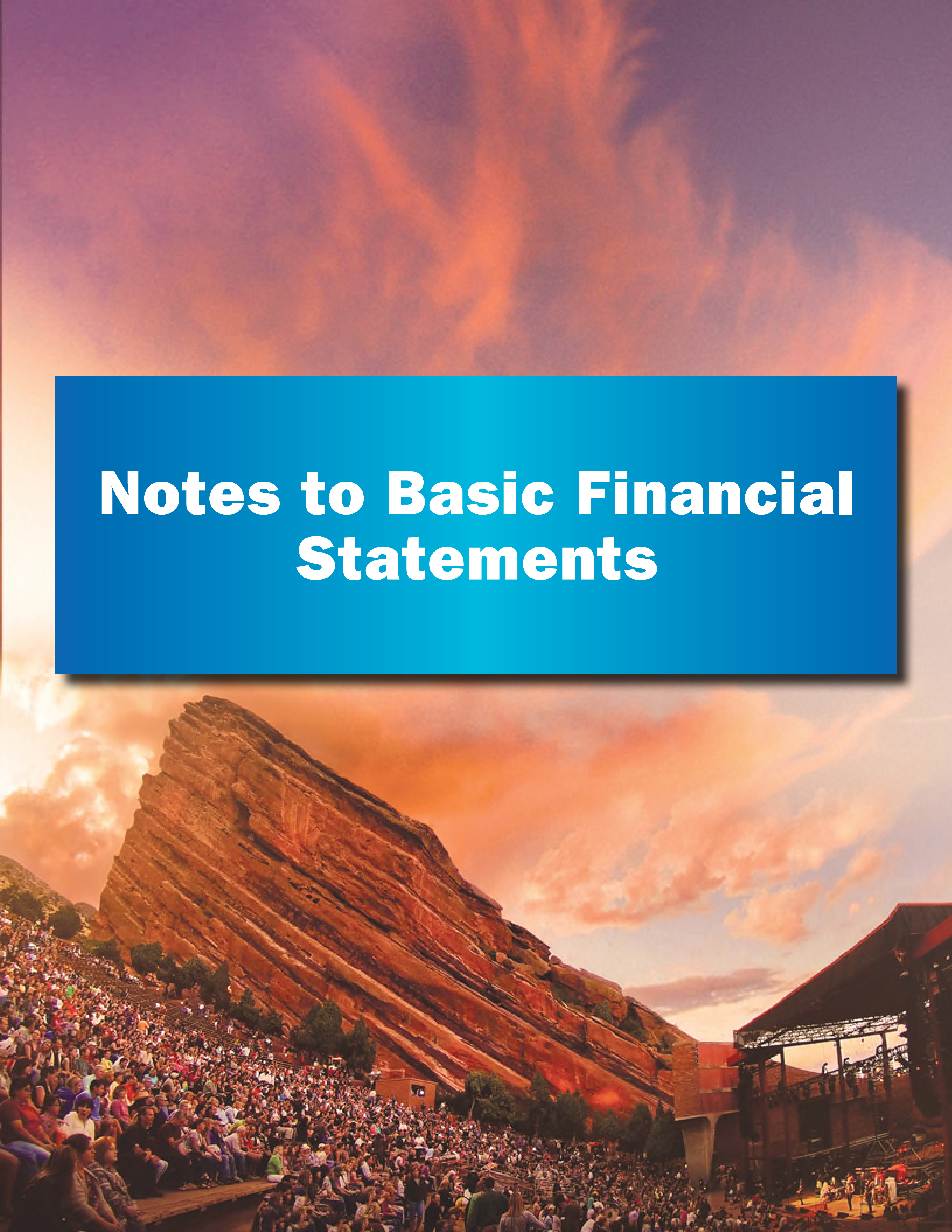
Statement of Activities - Component Units

For the Year Ended December 31, 2021 (dollars in thousands)

	Caring for Denver Foundation	Denver Convention Center Hotel Authority	Denver Urban Renewal Authority	Downtown Denver Development Authority	National Western Center Authority	Other Component Units	Total
Expenses	$ 36,197	$ 61,832	$ 182,294	$ 4,409	$ 1,935	$ 51,318	$ 337,985
Program Revenues							
Charges for services	-	38,138	-	-	-	168	38,306
Operating grants and contributions	-	-	2,463	-	1,900	468	4,831
Total Program Revenues	**-**	**38,138**	**2,463**	**-**	**1,900**	**636**	**43,137**
Net expenses	(36,197)	(23,694)	(179,831)	(4,409)	(35)	(50,682)	(294,848)
General Revenues							
Taxes:							
Lodgers	-	-	143,035	-	-	-	143,035
Property	-	-	-	44,222	-	28,196	72,418
Specific ownership	-	-	(113)	-	-	503	390
Investment and interest income (loss)	(17)	27	1,171	5	(13)	83	1,256
Other revenues	42,516	11,449	-	-	167	25,673	79,805
Net General Revenues	**42,499**	**11,476**	**144,093**	**44,227**	**154**	**54,455**	**296,904**
Change in net position	6,302	(12,218)	(35,738)	39,818	119	3,773	2,056
Net position: January 1	**48,350**	**(37,613)**	**(35,415)**	**(119,306)**	**1,819**	**37,355**	**(104,810)**
Net Position (Deficit) - December 31	**$ 54,652**	**$ (49,831)**	**$ (71,153)**	**$ (79,488)**	**$ 1,938**	**$ 41,128**	**$ (102,754)**

See accompanying notes to basic financial statements

Notes to Basic Financial Statements



Contents

I. Summary of Significant Accounting Policies

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) applicable to governmental entities. A summary of the City and County of Denver's significant accounting policies applied in the preparation of these financial statements follows.

Note A – Reporting Entity

The City and County of Denver (City) was incorporated in 1861 and became a Colorado Home Rule City on March 29, 1904, under the provisions of Article XX of the Constitution of Colorado, as amended, when the people of the City ratified a Charter providing for a Mayor-Council form of government. The City is operated by authority of the powers granted by its Charter. The City provides typical municipal services except for education, public housing, and sewage treatment that are administered by other governmental entities.

As required by U.S. GAAP, these financial statements present the City (primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationships with the City in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity, GASB Statement No. 39, Determining Whether Certain Organizations Are Component Units – an amendment of GASB Statement No. 14, and GASB Statement No. 61, The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34, and GASB Statement No. 80, Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14. Certain amounts reported in the individual component unit financial statements have been reclassified to conform to the City's accounting policies. Each component unit has a December 31 year-end, with the exception of Denver College Success Corporation who has a September 30 year- end.

1. **Blended Component Units**

   Gateway Village, Denver 14th Street, and RiNo General Improvement District (GID) – The districts were created by the City as separate legal entities pursuant to state statute. Per statute, the City Council serves as ex officio Board of Directors for the districts. District Advisory Boards, appointed by the City Council, conduct and manage all affairs of the districts, which provide capital improvement and maintenance services entirely to the City, subject to overall approval and supervision of the ex officio Board of Directors. The districts are reported herein in the City's special revenue and debt service funds.

   The Convention and Visitor's Bureau Tourism Improvement District (TID) – A Tourism Improvement District is similar to other forms of improvement districts where businesses agree to assess a tax/fee in order to pay for specific projects. The Denver TID is the first of its kind in the state of Colorado. In 2017, VISIT DENVER The Convention and Visitors Bureau, with the Colorado Hotel & Lodging Association (CHLA) and the City and County of Denver, worked together to ensure Denver's tourism industry remains competitive through the creation of a Tourism Improvement District (TID). The TID was created for several reasons: 1) To close the funding gap for the expansion of the Colorado Convention Center (CCC) 2) Fund future improvements at the CCC 3) Support additional marketing efforts. The TID adds a 1% tax to the guest folio of hotels with 50 or more rooms in the City and County of Denver. There is no cost to the hotel properties. Denver City Council passed the creation ordinance (17-0883) for the TID in August 2017 and in November 2017 voting TID-eligible hotels supported creation of the TID with 96% support (50-2).

2. **Discretely Presented Component Units**

   Cherry Creek North, Cherry Creek Subarea, Colfax, Downtown Denver, Old South Gaylord, West Colfax, Federal Boulevard, Bluebird, Colfax-Mayfair, Five Points, Santa Fe, and RiNo Business Improvement Districts (BID) – Each BID was created by the City as a separate legal entity pursuant to state statute for the purpose of maintaining public improvements and planning development activities within each BID's geographic boundaries. The City appoints the governing boards of the BIDs and is able to impose its will through the approval of the BID's operating budgets.

   Caring for Denver Foundation (CDF) - The CDF was organized as a nonprofit corporation resulting from a City ordinance, which also provides for an increase of sales tax of .25 percentage points to supplement mental health programs. CDF utilizes a portion of this tax to address Denver's mental health and substance misuse needs by growing community informed solutions, dismantling stigma, and turning the community's desire to help into action. Of CDF's thirteen-member Board of Directors six are appointed by the Mayor, two are appointed by the Denver District Attorney, and the remaining five are appointed by City Council.

Denver College Success Corporation (DCSC) - The DCSC was organized as a nonprofit corporation resulting from a City ordinance, which also provides for an increase of sales and use tax of .08 percentage points. This tax is utilized by DSCS to increase post-secondary institution enrollment and completion for City residents by expanding the capacity of scholarship-granting nonprofit organizations to support scholarship recipients. By City ordinance, DCBC is obligated to have a seven-member Board of Directors, of which six members are appointed by the Mayor and confirmed by City Council. The remaining Board member is a member of City Council and appointed by City Council.

Denver Convention Center Hotel Authority (DCCHA) – The DCCHA was organized by the City as a nonprofit corporation in accordance with State law for the purpose of owning, acquiring, constructing, equipping, operating and financing a hotel adjacent to the City's convention center. The Mayor appoints the Board of Directors of the DCCHA, subject to City Council confirmation, and a financial benefit/burden relationship exists as a result of an economic development agreement between the City and DCCHA. According to the agreement DCCHA distributes certain excess revenues to the City, makes payments in lieu of taxes to the City, and has entered into a room block agreement which coordinates the reservation of hotel room blocks with events scheduled at the City's convention center. The City makes semi-annual economic development payments to the DCCHA, which totaled $11,000,000 in 2021. The City also has the right to purchase the hotel at the purchase option price per the agreement.

Denver Downtown Development Authority (DDDA) – The DDDA was created for the purpose of promoting public health, safety, prosperity, security, and general welfare in order to halt or prevent deterioration of property values or structures within the central business district and to assist in the development and redevelopment of the central business district, especially to benefit the property within the boundaries of the Authority. The City entered into a cooperation agreement with DDDA in 2009 authorizing the Authority to collect and disburse property and sales tax increment revenues. Historically the DDDA collected property and sales tax increment revenue from the City and disbursed it to the Denver Union Station Project Authority (DUSPA) and the DUS Metropolitan Districts. In 2017, all of the outstanding debt of DUSPA was refinanced, a portion was assumed by the DDDA, and DUSPA was dissolved. Post-refinancing, the DDDA generates revenue from property tax increment, sales tax increment, and pledged revenues from the DUS Metropolitan Districts, Urban Drainage and Flood Control District (d/b/a Mile High Flood District), and School District No. 1 in the City and County of Denver and the State of Colorado. The Central Platte Valley Metropolitan District, Cherry Creek Subarea Business Improvement District, and Market Station Metropolitan Districts also exist within the boundaries of the DDDA and receive property tax revenue from the DDDA. The Board of Directors is appointed by the Mayor and confirmed by City Council, and City Council may remove any director at will. These appointments and the ability of the City to impose its will on the Authority make the City financially accountable for the Authority.

Denver Preschool Program, Inc. (DPP) – DPP is a nonprofit corporation organized to administer the Denver Preschool Program that provides tuition credits for children of Denver families the year before the child is eligible for kindergarten. The City is legally obligated to provide financial support to DPP, as the program is funded by a sales and use tax increase of fifteen one-hundredths of one percent (0.15%) that was voter-approved through December 2026. The Mayor appoints 10 of the 11 DPP board members and City Council appoints a council member as the other board member. The City appointments to the governing body and its financial obligations to DPP make the City financially accountable for the DPP.

Denver Urban Renewal Authority (DURA) – DURA was created as a separate legal entity by the City pursuant to the state Urban Renewal Law to acquire, clear, rehabilitate, conserve, develop or redevelop identified slum or blighted areas existing within the City and to prevent future blight from developing. In addition, for health and safety purposes, DURA provides housing rehabilitation assistance in the form of low-interest loans to low-income Denver homeowners through two City housing rehabilitation programs.

The Mayor appoints the DURA board of directors subject to City Council approval. Any urban renewal project undertaken by DURA must receive prior approval by the City. A significant amount of DURA's financing comes from incremental property and sales tax revenue from the City. In 2009, DURA established Denver Neighborhood Revitalization, Inc. (DNRI), a registered State of Colorado not-for-profit organization and component unit of DURA, to address the needs in the Denver community related to foreclosed and/or abandoned homes through the administration of the Neighborhood Stabilization Program (NSP) funds awarded by the City and County of Denver. DNRI administered this program under contract with the City. The contract ended in March 2019 and management of DNRI are evaluating further operations for additional ways DNRI can continue its mission of neighborhood revitalization. For presentation purposes, DURA and DNRI financial activity is combined.

National Western Center Authority – The National Western Center Authority is a Colorado nonprofit corporation that partners with the City to program, operate, and maintain the year-round campus for agricultural education, innovation, and entertainment. The actions of the Authority are guided by a 13-person board, made up of 11 voting directors and two non-voting directors. The voting directors include six appointments by the Denver mayor: two Colorado State University appointees, two Western Stock Show Association appointees, and one Globeville, Elryia, or Swansea resident mayoral appointee. A second Globeville, Elyria, or Swansea resident will be appointed by the mayor as a non-voting director. The City Chief Financial Officer will also serve as a non-voting director and Treasurer of the Board. The funding for the Authority's work comes from the partners as defined in the Framework agreement between the City and County of Denver, Western Stock Show Association, and Colorado State University.

Complete financial statements, as applicable, for the following individual component units can be obtained from their respective administrative offices:

Bluebird BID
8005 South Chester Street, Suite 150
Centennial, Colorado 80112

Caring for Denver Foundation
Kaleidoscope Collaborative Center
1035 Osage Street, 8th Floor
Denver, Colorado 80204

Cherry Creek North BID
2401 E. 2nd Ave., Suite 150
Denver, CO 80206

Cherry Creek Subarea BID
1700 Lincoln Street, Suite 3800
Denver, Colorado 80203-4538

Colfax BID
P. O. Box 18853
Denver, Colorado 80218

Colfax-Mayfair BID
P. O. Box 202161
Denver, Colorado 80220

Downtown Denver BID
1515 Arapahoe St, Tower 3, Suite 100
Denver, Colorado 80202

Denver 14th Street GID
1515 Arapahoe Street, Tower 3, Suite 100
Denver, Colorado 80202

Denver College Success Corporation
789 Sherman Street, Suite 610
Denver, CO 80203

Denver Convention Center Hotel Authority
1225 17th Street, Suite 3050
Denver, Colorado 80202

Denver Downtown Development Authority
201 West Colfax Avenue, Department 1109
Denver, Colorado 80202

Denver Preschool Program, Inc.
305 Park Avenue West, Suite B
Denver, Colorado 80205

Denver Urban Renewal Authority
1555 California Street, Suite 200
Denver, Colorado 80202

Federal Boulevard BID
P. O. Box 11817
Denver, Colorado 80211

Five Points BID
1515 Arapahoe St, Tower 3, Suite 100
Denver, Colorado 80202

Gateway Village GID
8390 E. Crescent Parkway, Suite 300
Greenwood Village, Colorado 80111

National Western Center Authority
4701 Marion St, Suite 401
Denver, Colorado 80216

Old South Gaylord BID
1076 South Gaylord Street
Denver, Colorado 80209

RiNO BID/GID
3525 Walnut Street
Denver, Colorado 80205

Santa Fe BID
725 Santa Fe Drive
Denver, Colorado 80204

West Colfax BID
3275 West 14th Avenue, Suite 202
Denver, Colorado 80204

The Convention and Visitor's Bureau TID
1555 California St. Suite 300
Denver, Colorado 80202

3. **Fiduciary Component Unit.**

   Denver Employees Retirement Plan (DERP) – The DERP is a separate legal entity established by City ordinance to provide pension benefits for substantially all City employees, except police officers and firefighters. The Mayor appoints the members of the DERP governing board. The DERP is presented herein in the City's fiduciary funds as Pension and Health Benefits Trust Funds. The net position of the DERP is held for the sole benefit of the participants and is not available for appropriation by the City.

4. **Related Organizations.**

   The City appoints members to the boards of the following organizations. The City's accountability for the organizations does not extend beyond making these appointments and there is no fiscal dependency by these organizations on the City.

   Denver Health and Hospital Authority (Authority) – The Authority is a political subdivision and body corporate of the State of Colorado. The Authority is governed by a nine-member board, all appointed by the Mayor. The Authority entered into contractual agreements with the City to obtain and operate the City's existing hospital system. In accordance with the contractual agreements between the Authority and the City, the City paid the Authority $64,860,000 for providing various health related services to the City and its residents during 2021. In addition, the Authority made payments in the amount of $597,000 to the City for human services, fleet, sheriff, and various human resources services.

   Denver Housing Authority (DHA) – The DHA was created by ordinance in accordance with U.S. Department of Housing and Urban Development (HUD) regulations. Its five-member board, appointed by the Mayor, controls the daily administration and operations of the DHA. The DHA is dependent on Federal funds from HUD and, as a result, is not financially dependent on the City. In addition, the City is not responsible for any deficits incurred and has no fiscal management control over the DHA.

   Denver Public Library Trust (DPL Trust) – The DPL Trust is a charitable entity formed by the Library Commission and the DPL Friends Foundation to accept inherited interests through a bequest. All assets of the DPL Trust derive from a percentage of an interest in two real estate partnerships. The Library Commission appoints the trustees of the DPL Trust. All funds received by the DPL Trust are deposited into a bank account managed by the DPL Trust and quarterly transferred to the DPL Friends Foundation. The monies may be requested during the Denver Public Library's annual budget request from the DPL Friends Foundation.

   Denver Water Board – The Denver Water Board was created pursuant to the City Charter as a separate legal entity to oversee the City's water system. The Denver Water Board's five-member governing body is appointed by the Mayor, but the City is not financially accountable for the Denver Water Board because the Denver Water Board has the power to levy property taxes to support general obligation bonds issued by the Denver Water Board and the Denver Water Boards' determination of the necessity for the mill levy would be subject to approval or modification by the City. The Denver Water Board had no general obligation bonds outstanding as of December 31, 2021, and no longer has authority to issue general obligation bonds.

   Lowry Economic Redevelopment Authority (Lowry) – Lowry was created as a public entity by contract between the City and another local government under the Colorado Governmental Immunity Act, CRS Section 24-10-01. Lowry is a separate legal entity intended to maintain, manage, promote, and implement economic redevelopment of the former Lowry Air Force Base. The City is not fiscally accountable for Lowry. Lowry is governed by a nine-member board of directors of which the Mayor appoints seven.

   Stapleton Development Corporation (SDC) – The City and DURA created a nonprofit corporation whose objectives would include, but not be limited to, planning an orderly public purpose assessment and redevelopment program for the former Stapleton International Airport property and implementing the redevelopment plan for the property. The SDC board of directors is composed of 11 voting members; the Mayor appoints 9 and 2 are appointed by DURA. All 11 members are confirmed by the City Council. Neither the City nor DURA is financially accountable for SDC, as the City and DURA cannot impose their will on SDC, nor does a financial benefit or burden exist between the entities.

Note B – Government-Wide and Fund Financial Statements

The government-wide financial statements, which include the statement of net position and statement of activities, report information on all of the non-fiduciary activities of the primary government and its component units. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities, which generally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely generally on fees and charges to external parties. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of net position reports all of the City's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference being presented as net position.

The statement of activities demonstrates the extent to which the direct expenses of a given function or business-type activity is offset by program revenues. Direct expenses are clearly identifiable with a specific function. Program revenues include: 1) charges to customers who purchase, use, or directly benefit from goods, services provided by the programs, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not included among program revenues are reported as general revenues.

Separate fund financial statements are provided for governmental funds, proprietary funds, fiduciary funds (even though fiduciary funds are excluded from the government-wide financial statements), and component units. The emphasis of fund financial statements is on major governmental funds, enterprise funds, and component units, each reported as a separate column. All remaining governmental funds, enterprise funds, and component units, are aggregated and reported as nonmajor funds.

Note C – Measurement Focus, Basis of Accounting, and Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary funds, and discretely presented component unit financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. On an accrual basis, property taxes are recognized in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they are measurable and available. Available means collectible within the current period, or soon enough thereafter, to pay liabilities of the current period or when matured. The City considers all revenue as available, if collected within 60 days after year end. Property taxes, sales and use taxes, franchise taxes, occupational privilege taxes, interest revenue, fines, and charges for services are susceptible to accrual. Other receipts, licenses, permits, and parking meter revenues become measurable and available when cash is received by the City and are recognized as revenue at that time. Grant revenue is considered available if it is expected to be collected within one year and all eligibility requirements are met. Expenditures are recorded when the related liability is incurred, except for debt service expenditures, and certain compensated absences, claims and judgments, pension and OPEB obligations which are recognized when the payment is due.

The City reports the following major governmental funds:

- The **General Fund** is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be reported in another fund. This fund is financed primarily by sales tax, property tax, and charges for services.
- The **Bond Projects capital fund** is used to account for the proceeds from the issuance of long-term debt to be used for paying the cost of projects as set forth in bond issuing ordinances.
- The **Human Services special revenue fund** is used to account for proceeds of restricted revenue to be used for public assistance and welfare activities. This fund is financed primarily by intergovernmental revenue and property taxes.

The City reports the following major proprietary funds:

- The **Wastewater Management fund** accounts for the City's storm and sewer operations. This fund is financed primarily by sanitary sewer and storm drainage charges.
- The **Denver Airport System fund** accounts for the operation of the City's airport system which includes Denver International Airport. This fund is financed primarily by facility rentals, parking revenues, and landing fees.

The City reports the Caring for Denver Foundation, Denver Convention Center Hotel Authority, Denver Urban Renewal Authority, Denver Downtown Development Authority, and the National Western Center Authority component units as major component units.

Additionally, the City reports the following fund-types:

- **Internal service funds** account for asphalt plant and employee insurance benefits provided to the various departments and agencies of the City on a cost reimbursement basis.
- **Pension trust funds** account for the Denver Employees Retirement Plan, which accumulate resources for pension and health benefit payments to qualified City retirees.
- **Other employee benefits trust fund** accounts for the Deferred Compensation Fund, which holds and administers resources to qualified city employees who participate in the plan. Assets are reserved solely for deferred compensation benefits.
- **Private-purpose trust funds** are used to account for resources legally held in trust by the City for use by various organizations for various purposes. All resources of the funds, including any earnings on invested resources, may be used to support the various activities of the organizations. There is no requirement to preserve the resources as capital.
- **Custodial funds** account for treasury collections and court fees, and collected receipts being temporarily held for allocation to other entities. These funds are custodial in nature and do not involve measurement of results of operations. The effect of interfund activity generally has been eliminated from the government-wide financial statements. Exceptions to this practice include payments and other charges between the City's enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions affected.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise and internal service funds are charges to customers for sales and services. Operating expenses for the enterprise and internal service funds include the administrative expenses, cost of sales and services, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, the City uses the restricted resources first, then unrestricted resources as needed. If no other restrictions exist, the order of spending of resources will be committed, assigned, and lastly unassigned.

Note D – Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balances

1. **Cash and Investments.** For the primary government, except when prohibited by trust agreements, the operating cash in each fund is maintained in one consolidated pool by the City. Cash in excess of operating requirements is invested by the City. The City Charter, Section 2.5.3(C) and the Denver Revised Municipal Code, Section 20-21, authorize that investments may be made in U.S. Government obligations, its agencies and sponsored corporations, prime commercial paper, prime bankers' acceptances, certificates of deposit issued by eligible banks and savings and loan associations, local government investment pools, repurchase agreements, forward purchase agreements, securities lending agreements, highly rated municipal securities, high grade corporate bonds, asset-backed securities, supranational debt obligations, federal agency collateralized mortgage obligations (CMO), federal agency mortgage pass through securities (MBS), money market funds that purchase only the types of securities specified herein, and other similar securities as may be authorized by ordinance. The pension trust funds and component units maintain deposits and investments outside of the City's investment pools. These are primarily in demand deposits and equities, and U.S. Government obligations.

   Investments, unless otherwise noted, are stated at fair value, which is primarily determined based upon quoted market prices or other significant, observable inputs, at year end. Fair values of real estate and other investments are determined by independent periodic appraisals. Investments in repurchase agreements and the guaranteed investment contract are stated at cost, while investments in the local government investment pools and certain investments in the Fiduciary Funds are stated at net asset value (NAV).

2. **Cash Equivalents**. The City's investments held in the consolidated pool with original maturities of three months or less from the purchase date are classified as cash equivalents. For investments owned by wastewater, the airport system, the pension trust funds, and the component units, investments with original maturities of three months or less from the date of purchase are considered cash equivalents.

3. **Property Taxes Receivable.** Property taxes are reported as a receivable and as deferred inflows of resources when the levy is certified by the City's Assessor on or before December 15 of each year, unless there is a special election. Property taxes receivable is reduced by an allowance for uncollectible taxes. Included in property taxes

receivable is an amount of assessed property tax that is expected to be reimbursed to the City by the State for the State's Senior Veteran Property Tax Exemption program rather than being paid by the taxpayer themselves. Property taxes are due and considered earned on January 1 following the year levied. The first and second halves become delinquent on March 1 and June 16, respectively. Tax rate levy authority for the 2021 fiscal year was approved when Resolution 1070, Series of 2021, was adopted by the City Council and approved by the Mayor.

4. **Water and Wastewater Service Accounts.** Sanitary sewer accounts are maintained, billed, and collected by the Water Board in connection with its water accounts. The Wastewater Management enterprise fund is responsible for billing and collecting storm drainage charges using a cycle billing system. Flat rate accounts and certain cycle billings are billed in advance on a monthly basis and revenues relating to future years are classified as unearned revenue. Metered accounts are billed in arrears and have been accrued.

5. **Interfund Receivables/Payables.** During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. The balances from these transactions are classified as "interfund receivable" or "interfund payable" on the balance sheet/statement of net position. Other interfund receivables/payables between individual funds have occurred because some funds have overdrawn their equity share of pooled cash.

6. **Due from Other Governments.** Due from other governments includes amounts due from grantors for grants for specific programs and capital projects. Program and capital grants for capital assets are recorded as receivables and revenues when all eligibility requirements are met. Revenues received in advance of project costs being incurred or for which eligibility requirements have not been met are unearned. In the governmental funds, revenue recognition also depends on the timing of cash collections (availability).

7. **Inventories and Prepaid Items.** The City values inventories at cost, which approximates market, and accounts for them using either the weighted average method or the first-in/first-out method. The costs of governmental fund-type inventories are recorded as expenditures when purchased.

   Payments made to vendors for services representing costs applicable to future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items in the governmental funds are recorded as expenditures when consumed.

8. **Restricted Assets**. Certain assets of the General Fund, General Government special revenue fund and certain component units are classified as restricted assets because their use is completely restricted by State statute.

   In the General Fund, certain monies related to COPs and capital leases (see **Note III-E-1**) are classified as restricted in accordance with lease requirements.

   Certain resources of the governmental activities and the Denver Airport System enterprise fund are classified as restricted assets because their use is limited by applicable bond covenants. These covenants require the accumulation of resources for current principal and interest on both bonds and subordinate bonds, principal and redemption price on term bonds subject to mandatory redemption, principal and interest emergency reserve, and operating and maintenance emergency reserve.

   Certain assets of the Environmental Services enterprise fund have been restricted by external parties to be used for future plant and equipment expenditures and payment of certain liabilities.

9. **Capital Assets.** Land, collections, construction in progress, buildings, equipment, infrastructure, and intangible assets are reported in the applicable governmental or business-type activities, or component unit columns of the government-wide financial statements. Such assets are recorded at cost or estimated cost if purchased or constructed. Donated capital assets are recorded at their estimated acquisition value at the date of donation. The capitalization threshold of the City is $5,000 except for internally-generated software, which has a threshold of $50,000. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized.

   Assets under capital leases are recorded at the present value of future minimum lease payments and are amortized over the shorter of the lease term or the estimated useful life of the asset.

   Capital assets of the City and certain component units are depreciated on a straight-line basis over the following estimated useful lives:

Buildings and improvements	5 to 50 years
Motor vehicles and motorized equipment	5 to 20 years
Furniture, machinery, and equipment	3 to 20 years
Collections, excluding library books	15 years
Library books	4 years
Infrastructure	6 to 50 years
Intangibles	3 to 5 years

Physical library books are depreciated over a four-year life and digital books are depreciated over a two-year life both using the composite method. The Western History artwork collection is not capitalized because these assets are held for public exhibition rather than financial gain and the value cannot be determined. They are protected and preserved and proceeds from any sales must be used to acquire other items for collection. In addition, artwork acquired through the Estate of Clyfford Still is not capitalized because the collection must be held for public exhibition and sale of the collection, or any piece of the collection, is prohibited, under the terms of the will and the donation agreement. A value has not been assigned to the Clyfford Still collection and due to the rarity of the collection combined with restrictions within the will for its ownership and exhibition, its ultimate value may be impossible to establish with any certainty.

10. **Long-term Obligations.** The City records long-term debt and other long-term obligations as liabilities in the government-wide and proprietary fund financial statements. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method or the straight-line method, which is not materially different than the effective-interest method, over the term of the debt. Bond premiums and discounts are presented as an addition or reduction (net) of the face amount of the bond payable. With few exceptions, bonds issued by the City are tax-exempt and subject to federal arbitrage regulations.

    In the fund financial statements for governmental fund-types, bond issuance costs, other than prepaid insurance, are recognized as expenditures during the current period even if withheld from actual net proceeds. Bond proceeds and bond premiums are reported as an other financing source. Bond discounts are reported as an other financing use.

11. **Compensated Absences**. The City has vacation, sick, and paid time off leave policies covering substantially all its employees, as follows:

    - Career Service Authority
    - Fire and Police Departments' Classified Service
    - Undersheriff
    - District Attorney and Judges

    Employees may accumulate earned but unused benefits up to a specified maximum. The City has recorded an accrued liability for compensated absences in the government-wide and proprietary fund financial statements that was calculated using the vesting method.

12. **Unearned Revenues**. Unearned revenues reflect amounts that have been received before the City has a legal claim to the funds. In subsequent periods, when the City has a legal claim to the resources, the unearned revenue is removed from the statement of net position/balance sheet and revenue is recognized.

13. **Pensions**. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Denver Employees Retirement Plan (DERP) the Statewide Defined Benefit Plan and Old Hire Fire and Police Pension Plans, administered by the Fire and Police Pension Association of Colorado (FPPA) and the Public Employees' Retirement Association of Colorado Pension Plans (PERA), and additions to/deductions from the various pension plan's fiduciary net position have been determined on the same basis as they are reported by DERP, FPPA, and PERA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

14. **Other Post-Employment Benefits (OPEB).** For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of the Denver Employees Retirement Plan (DERP), Police Retiree Health Fund (PRHF) and the Public Employees' Retirement Association of Colorado Pension Plans (PERA), and additions to/deductions from the various OPEB plan's fiduciary net position have been determined on the same basis as they are reported by DERP, PRHF and PERA. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

15. **Deferred Outflows of Resources and Deferred Inflows of Resources**. A deferred inflow of resources is an acquisition of net position by the City that is applicable to a future reporting period and a deferred outflow of resources is a consumption of net position by the City that is applicable to a future reporting period. Both deferred inflows and outflows are reported in the Statement of Net Position but are not recognized in the financial statements as revenues, expenses, and reduction of liabilities or increase in assets until the period(s) to which they relate. The City reports deferred outflows of resources for pension and OPEB related amounts for the City's share of the difference between projected and actual earnings for the City's share of the difference between contributions to the individual plans and the proportionate share of the contributions, for changes of assumptions or other inputs, the difference between expected and actual experience, and contributions subsequent to the measurement date. Deferred outflows of resources of the City also consist of the accumulated decrease in fair value of hedging derivatives and the deferred loss on refunding.

    The City reports deferred inflows of resources for pension and OPEB related amounts in the government wide financial statements or the City's share of the difference between expected and actual experience and for the City's share of the difference between contributions to the individual plans proportionate share of the contributions and the difference between projected and actual earnings. The City also reports deferred inflows of resources for property tax receivables that are levied for the next fiscal year, and deferred gain on refunding.

    Under the modified accrual basis of accounting, revenue and other fund financial resources are recognized in the period in which they become both measurable and available. Assets recorded in the fund financial statements for which the revenues are not available are reported as a deferred inflow of resources. Deferred inflows of resources are also comprised of property tax and long-term receivables that are unavailable in the fund statements.

16. **Net Position**. In the government-wide and fund financial statements, net position is the difference between assets, liabilities, deferred inflows of resources, and deferred outflows of resources. Net investment in capital assets, represents capital assets; less accumulated depreciation; and less any outstanding borrowings related to the acquisition, construction, or improvement of those assets. Certain net positions are restricted for capital projects, emergency use, debt service, and by donor restrictions.

17. **Fund Balance**. In the governmental fund financial statements, governmental funds report nonspendable, restricted, committed, assigned, and unassigned fund balance classifications based on the nature and extent of the constraints placed on the fund balances.

18. **Encumbrances**. Encumbrances for contracts and purchase orders are unencumbered at year end and reappropriated against the subsequent year's budget. As of December 31, 2021, the encumbrances reflected in **Table 1** (dollars in thousands) were reappropriated against the 2022 budget for remaining prior year encumbrances.

Table 1

Governmental Activities:		
General Fund	$	76,472
Bond Project Fund		179,061
Human Services Fund		14,737
Other Governmental Funds		440,303
Internal Service Funds		1,088
Total Governmental Activities	**$**	**711,661**
Business-type Activities:		
Wastewater Management	$	54,611
Denver Airport System		519,866
Other Enterprise Funds		2,605
Total Business-type Activities	**$**	**577,082**

19. **Special Items.** GASB pronouncement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - For State and Local Governments (GASB 34), defines Special Items as transactions or other events within the control of management that are significant and either unusual in nature or infrequent in occurrence. In 2020, the City offered a special incentive to Career Service employees who were eligible to retire effective August 31, 2020. In exchange for the employee's voluntary retirement, the employee received two incentive payments. The first incentive payment of $5,000 was paid in two installments with $2,500 paid in 2020 and $2,500 paid

in January 2021. The second incentive payment was a calculation of one week of salary for each year of service up to a maximum of $40,000. One-third of this calculated amount was paid in 2020 and two-thirds was paid in January 2021. Per the agreement, these incentive payments are excluded under the definition of compensation used in calculating an employee's retirement benefit under the Denver Employee Retirement Plan and therefore would not affect future retirement benefits. A total of 266 employees participated in the special incentive plan resulting in total payments of $9,398,000, of which $7,458,000 was paid in 2021.

Note E – Implementation of New Accounting Principles

Governmental Accounting Standards Board Statement No. 95. In May 2020, GASB issued GASB Statement No. 95 (GASB 95), Postponement of the Effective Dates of Certain Authoritative Guidance, which postpones the effective dates of certain provisions in Statements and Implementation Guides that first become effective or are scheduled to become effective for periods beginning after June 15, 2018, and later in light of the COVID-19 pandemic. The adoption of Statement No. 95 resulted in postponing effective dates of the following announcements:

Statement No. 87, Leases (GASB 87): fiscal years beginning after June 15, 2021 and all reporting periods thereafter.

Governmental Accounting Standards Board Statement No. 98. In 2021, the City implemented GASB Statement No. 98, The Annual Comprehensive Financial Report (GASB 98). This establishes the term annual comprehensive financial report and acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles (GAAP) for state and local governments. GASB 98 was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectionable racial slur. GASB 98 is effective for fiscal years ending after December 15, 2021.

Governmental Accounting Standards Board Statement No. 87. In 2021, the City began evaluating the impact of this statement on its financial statements for implementation in 2022. GASB 87 was issued in June 2017 to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

Governmental Accounting Standards Board Statement No. 96. Issued in May 2020, GASB Statement No. 96, Subscription-Based Technology Arrangements (SBITAs) (GASB 96) establishes standards of accounting and financial reporting for SBITAs by a government end user. GASB 96 defines a SBITA, establishes that a SBITA results in a right-to-use subscription asset (intangible asset) and a corresponding subscription liability. GASB 96 also provides the capitalization criteria for outlays other than subscription payments, including SBITA implementation costs as well as note disclosure requirements for SBITAs. Implementation of this statement is effective for fiscal years beginning after June 15, 2022. The City is currently evaluating the impact of this statement on its financial statements.

II. Stewardship, Compliance, and Accountability

Note A – Deficit Fund Equity

At December 31, 2021, the Denver Convention Center Hotel Authority (DCCHA), the Denver Urban Renewal Authority (DURA), and the Downtown Denver Development Authority component units had deficit net position in the amounts of $49,831,000, $71,153,000 and $79,488,000, respectively.

The DCCHA component unit will use revenue from its hotel facility to fund its deficit net position. DDDA receives sales and property tax revenue to fund its deficit net position. The DURA component unit uses Tax Increment Financing (TIF), which is additional incremental property and sales taxes generated by redevelopment projects, to fund its deficit net position.

Note B – Excess Expenditures Over Authorizations

As of December 31, 2021, the budget related to public safety for fire to provide essential services and programs was exceeded by $2,999,000, the budget related to transportation and infrastructure for increasing mobility and safety while reducing congestion and fighting climate change was exceeded by $2,869,000, and the budget related to Annual Rental Payments for certificates of participation was exceeded by $128,000. All were due to the timing of the accrual of payments and when the budget was available.

III. Detailed Notes for All Funds

Note A – Deposits and Investments

1. **Deposits.** The City Charter, Section 2.5.3(c), requires all banking or savings and loan institutions to pledge sufficient collateral as required by law (Public Deposit Protection Act (CRS, 11-10.5-101)) before any public funds are deposited. In addition, the City's Investment Policy requires that certificates of deposit be purchased from institutions that are certified as Eligible Public Depositories by the appropriate state regulatory agency. Under the Colorado Public Deposit Protection Act (PDPA), all deposits exceeding the amount insured by the FDIC are to be fully collateralized at 102.00% of the deposits with specific approved securities identified in the act. The eligible collateral pledged must be held in custody by any Federal Reserve Bank, or branch thereof, or held in escrow by some other bank in a manner as the banking commissioner shall prescribe by rule and regulation or may be segregated from the other assets of the eligible public depository and held in its own trust department. All collateral so held must be clearly identified as being security maintained or pledged for the aggregate amount of public deposits accepted and held on deposit by the eligible public depository. Deposits collateralized under the PDPA are considered collateralized with securities held by the pledging financial institutions' trust department or agent in the "City's name."

   Custodial credit risk is the risk that, in the event of a failure of a financial institution or counterparty, the City would not be able to recover its deposits, investments or collateral securities. At December 31, 2021, the bank balance and carrying amounts of accounts managed by the Manager of Finance (the Manager) were $5,291,000 and ($5,213,000) respectively. The negative carrying amount represents outstanding checks that are in excess of current operating bank account balances on December 31. The funding of these checks, which would happen through the liquidation of investments, occurred in 2022 when the checks were presented at the bank. The City's deposits, except for the pension trust fund and certain component units' deposits are subject to, and in accordance with PDPA.

   All deposits for DURA, DDDA, DCCHA, and Caring for Denver were not subject to custodial credit risk at December 31, 2021, since they were covered by FDIC or PDPA. The National Western Center Authority maintains a bank account at one institution, which is insured by the FDIC up to $250,000. The funds in this account may, at times, exceed the amounts insured by the FDIC. The Authority has never experienced any losses related to these amounts.

2. **Investments.** It is the policy of the City to invest its funds in a manner which will provide for the highest investment return consistent with the preservation of principal and provision of the liquidity necessary for daily cash flow demands. The City's Investment Policy applies to all investment activity of the City under the control of the Manager, including investments of certain monies related to all governmental and business- type activities, and trust and custodial funds. The City's Investment Policy does not apply to the investments of the deferred compensation plan, the Denver Employee Retirement Plan or component units. The City's investment Policy does not apply to the investments of the deferred compensation plan, the Denver Employee Retirement Plan, or component units. Other monies that may from time to time be deposited with the Manager for investment shall also be administered in accordance with the Investment Policy.

   The City Charter, Section 2.5.3(c), and Revised Municipal Code, Section 20-21, authorize the investments that the City can hold. The Investment Policy requires that investments shall be managed in accordance with portfolio theory management principles to compensate for actual or anticipated changes in market interest rates. To the extent possible, investment maturity will be matched with anticipated cash flow requirements of each investment portfolio. Additionally, to the extent possible, investments will be diversified by security type, market sector, and institution. This diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolios. Deviations from expectations shall be reported in a timely fashion and appropriate action taken to control adverse developments.

At December 31, 2021, the City's investment balances, including fiduciary funds were as shown in **Table 2.**

Table 2

City Investment Balances

December 31, 2021 (dollars in thousands)

	Fair Value
Money market funds	$ 1,000
Local government investment pool	245,564
Common stock	272,523
Commercial paper	343,604
Mutual funds	1,558,540
Municipal bonds	146,959
U.S. Treasury securities	1,924,904
U.S. agency securities	1,450,457
Corporate bonds	811,539
Structured products[1]	417,561
Multinational fixed income[2]	523,490
Annuity contracts	205,506
Real estate	241,720
Other	1,019,022
Total Investments	**$ 9,162,389**

[1] Includes asset backed securities, collateralized mortgage obligations, and mortgage backed securities.

[2] Includes supranational securities. Supranationals are U.S. dollar denominated bonds of international organizations such as the World Bank and International Monetary Fund.

The DERP pension trust fund had securities lending collateral of $77,080,000 at December 31, 2021; see **Note 7** of the DERP annual comprehensive financial report (available at https://www.derp.org) for additional discussion related to this balance.

At December 31, 2021, the investment balances of the discretely presented component units were as shown in **Table 3.**

Table 3

Component Units Investment Balances

December 31, 2021 (dollars in thousands)

	Fair Value
Money market funds	$ 119,285
Local government investment pool	4,132
Certificates of deposit	15,628
Municipal bonds	7,988
Commercial paper	8,581
U.S. Treasury securities	55,306
U.S. agency securities	22,802
Corporate bonds	4,981
Multinational fixed income[1]	9,316
Other[2]	412
Mutual funds	18,107
Total Investments	**$ 266,538**

[1] Includes supranational securities. Supranationals are U.S. dollar denominated bonds of international organizations such as the World Bank and International Monetary Fund.

[2] Includes $412,000 equity investment.

A reconciliation of cash and investments as shown in the basic financial statements as of December 31, 2021, is shown in **Table 4.**

Table 4

Reconciliation of Cash and Investments

December 31, 2021 (dollars in thousands)

Governmental and Business-type Activities	Primary Government	Component Units	Total
Cash on hand	$ 5,737	$ -	$ 5,737
Cash and cash equivalents	1,828,652	117,033	1,945,685
Investments	1,461,720	32,043	1,493,763
Restricted cash and cash equivalents	900,157	13,875	914,032
Restricted investments	1,319,742	234,495	1,554,237
Total Governmental and Business-type Activities	**$ 5,516,008**	**$ 397,446**	**$ 5,913,454**
Fiduciary			
Cash on hand	$ -	$ -	$ -
Cash and cash equivalents	110,317	-	110,317
Investments	3,632,766	-	3,632,766
Total Fiduciary	**$ 3,743,083**	**$ -**	**$ 3,743,083**
Total	**$ 9,259,091**	**$ 397,446**	**$ 9,656,537**
Less deposit balance[1]	**(96,702)**	**(130,908)**	**(227,610)**
Total	**$ 9,162,389**	**$ 266,538**	**$ 9,428,927**

[1] The carrying amount of the City's deposits of $18,440,000, less outstanding checks of $15,615,000, plus petty cash of $100,000, plus fiduciary cash of $84,569,000, plus General Improvement District cash of $1,151,000 and plus cash on hand of $7,995,000 and plus an adjustment of $62,000 equals $96,702,000.

Fair Value Measurements. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Equities within all asset classes that are classified in Level 1 are valued using prices quoted in active markets for those securities. Equity and equity derivative securities classified in Level 2 are securities whose values are derived daily from associated traded securities. The City currently does not maintain equity securities classified as Level 3. Fixed income securities and derivatives within all asset classes that are classified in Level 2 are valued using either a bid evaluation or a matrix pricing technique. Bid evaluations may include market quotations, yields, maturities, call features, and ratings. Matrix pricing issued to value securities based on the securities' relationship to benchmark quoted prices. Such securities include U.S. Treasuries, corporate and agency bonds, bank loans, and structured products. Level 2 fixed income securities have non-proprietary information that was readily available to market participants, from multiple independent sources, which are known to be actively involved in the market. The city currently does not maintain fixed income securities classified as Level 3.

Investments that are measured at fair value using the net asset value (NAV) per share (or its equivalent) as a proxy are not classified in the fair value hierarchy. See **Table 6** for further detail. Short-term securities generally include investments in money market-type securities reported at amortized cost, which approximates market or fair value but are not classified in the fair value hierarchy.

Investment derivative instruments determination of fair value consists of a two-step process. First settlement prices are determined by utilizing the income approach under GASB 72 from "mid-market" pricing data available from public and subscription source. The second step is to determine the credit valuation adjustment for the derivative instrument. The purpose of the credit valuation adjustment is to quantify the nonperformance risk of the reporting entity as well as the nonperformance risk of the counterparty. Fair value is then determined as the settlement price of the derivative instrument adjusted by the credit valuation adjust of both the reporting entity's payment obligation and the counterparty's payment obligations.

The City has the following recurring fair value measurements as of December 31, 2021 as shown in **Table 5:**

Table 5

Fair Value Measurements

December 31, 2021 (Dollars In Thousands)

Governmental And Business-Type Activities	Fair Value	Level 1	Level 2	Level 3
Municipal bonds	$ 146,386	$ -	$ 146,386	$ -
Commercial paper	342,020	-	342,020	-
U.S. Treasury securities	1,567,400	-	1,567,400	-
U.S. agency securities	1,379,467	-	1,379,467	-
Corporate bonds	746,384	-	746,384	-
Structured products	415,854	-	415,854	-
Multinational fixed income	521,289	-	521,289	-
Governmental And Business-Type Activities	**$ 5,118,800**	**$ -**	**$ 5,118,800**	**$ -**
Total Investments Measured At The Nav[1]	244,487	-	-	-
Total Other Investments Not Valued At Fair Value	143,520	-	-	-
Total Governmental And Business-Type Activities	**$ 5,506,807**	**$ -**	**$ -**	**$ -**
Fiduciary	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Municipal Bonds	$ 573	$ -	$ 573	$ -
Common stock	272,523	272,523	-	-
Commercial paper	1,585	-	1,585	-
U.S. Treasury securities	357,504	350,739	6,765	-
U.S. agency securities	70,990	-	70,990	-
Corporate bonds	65,155	-	65,155	-
Structured products	1,707	-	1,707	-
Multinational fixed income	2,200	-	2,200	-
Mutual funds	1,558,487	1,558,487	-	-
Other (self directed brokerage)	92,176	92,176	-	-
Total Fiduciary	**$ 2,422,900**	**$ 2,273,925**	**$ 148,975**	**$ -**
Total Investments Measured At The Nav[2]	$ 1,027,171	$ -	$ -	$ -
Total Other Investments Not Valued At Fair Value[3]	205,511	-	-	-
Total Fiduciary	**$ 3,655,582**	**$ -**	**$ -**	**$ -**
Total Investments	**$ 9,162,389**	**$ -**	**$ -**	**$ -**
Major Component Units	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Money market funds	$ 235	$ 235	$ -	$ -
Mutual funds	18,107	18,107	-	-
Municipal bonds	7,989	-	7,989	-
Commercial paper	8,581	-	8,581	-
U.S. Treasury securities	55,306	55,306	-	-
U.S. agency securities	22,802	-	22,802	-
Corporate bonds	4,981	286	4,695	-
Multinational fixed income	9,316	-	9,316	-
Major Component Units	**$ 127,317**	**$ 73,934**	**$ 53,383**	**$ -**
Total Investments Measured At The NAV[4]	745	-	-	-
Total Other Investments Not Valued At Fair Value[5]	135,089	-	-	-
Total Major Component Units	**$ 263,151**	**$ -**	**$ -**	**$ -**
Police Retiree Health Fund	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Mutual Funds	$ 8,142	$ 8,142	$ -	$ -
Total Police Retiree Fund	**$ 8,142**	**$ 8,142**	**$ -**	**$ -**
Governmental And Business-Type Activities				
Investment Derivative Instruments:				
Interest rate swaps[6]	$ 30,960	$ -	$ -	$ -
Total Governmental And Business-Type Activities	**$ 30,960**	**$ -**	**$ -**	**$ -**

[1] Balance held at Colotrust $163,904,000 balance held at CSAFE of $80,583,000.

[2] Colotrust and Csafe balance in City fiduciary plus DERP NAV equal $1,027,171,000. See Table 6 for DERP investment measured at the NAV.

[3] Includes Deferred Compensation Plan amounts of $205,506,000 of synthetic guaranteed investment contracts and loans to participants of $10,357,000 and $5,000 of city fiduciary money market funds.

[4] December 31, 2021 balance held at Colotrust of $745,000.

[5] Includes $25,528,000 of money market funds and $109,561,000 of Certificates of Deposit.

[6] Net of $2,916,000 of interest rate swaps at an asset position and $33,876,000 in a liability position, which $23,974,000 is for governmental activities and $9,902,000 is business type interest rate swaps at a liability positions. Refer to Tables 39 and 43.

Synthetic Guaranteed Investment Contracts – An option in the City's deferred compensation plan includes a custom stable value fund that includes synthetic guaranteed investment contracts (SGICs). The contracts provide a stable rate of return to the participants. The value of the underlying investments is $205,506,000 as of December 31, 2021.

Table 6

Fiduciary Investments Measured at the NAV

December 31, 2021 (dollars in thousands)

	December 31	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Fixed Income Investments				
Private debt	$ 162,880	$ 52,714	Not eligible	n/a
Emerging market debt	47,410	-	Monthly	3 days
Total Fixed Income Investments	**$ 210,290**	**$ 52,714**		
Real Estate Investments				
Real estate - open-end	$ 207,654	$ -	Quarterly	20-90 days
Real estate - closed-end	34,066	17,060	Not eligible	n/a
Total real estate investments	**$ 241,720**	**$ 17,060**		
Alternative Investments				
Private equity	$ 372,532	$ 61,325	Not eligible	n/a
Energy investments	95,359	31,311	Not eligible	n/a
Timber	36,965	-	Not eligible	n/a
Total alternative investments	**$ 504,856**	**$ 92,636**		
Absolute Return				
Hedge Fund	$ 69,176	$ -	Quarterly	65 days
Total Absolute Return	**$ 69,176**	**$ -**		
Total Investments Measured at the NAV	**$ 1,026,042**	**$ 162,410**		
LGIP				
Colotrust	$ 756			
Csafe	373			
Total LGIP	**$ 1,129**			
Total Investments Measured at the NAV	**$ 1,027,171**			

Fixed Income Investments

- Private debt investments are intended to generate returns by lending money to various businesses and enterprises, or by purchasing loans originated by other lenders. There are six commingled investment pools, each taking the form of a partnership or similar structure. The debt may be secured or unsecured, and various yield enhancing techniques may be used, such as royalty sharing, equity options, or the application of leverage. Liquidity of these closed-end funds is determined by the monetization of underlying investments, and subject to reinvestment terms.
- Investments in emerging market debt seek to purchase the publicly traded sovereign or corporate debt obligations of developing nations.

Real Estate Investments

- Real Estate Investments - Open end real estate investments are pooled investments that own and operate commercial property. Returns are generated from income and price appreciation. These funds have perpetual life, and periodically accept contributions or honor redemptions.
- Closed end real estate investments consist of pooled funds to own and operate commercial property. These funds have a finite life, and funds are returned as investments are liquidated.

Alternative Investments

- Private equity utilizes a fund of funds approach to make investments in venture capital, buyouts, and other corporate finance transactions.
- Energy investments are a diversified portfolio of energy assets, including interests in oil, natural gas, power generation, and renewables
- Timber investments are made in both domestic and international timberland. Returns are generated through the acquisition, management, harvesting and sale of timber.
- Liquidity of these closed-end funds is determined by the monetization of underlying investments, and subject to reinvestment terms.

Absolute Return Investments

- Absolute Return Investments - A hedge fund of funds is used to generate returns that are higher than core fixed income, with significantly lower risk than public equities. A multi strategy approach is used to improve consistency of returns while limiting downside risk.

Interest Rate Risk. Interest rate risk is the risk that changes in financial market interest rates will adversely affect the value of an investment. The City's Investment Policy limits interest rate risk for investments under the control of the Manager by limiting the maximum maturity of investments. Investments in commercial paper have a maximum maturity of 270 days. Corporate debt obligations have a maximum maturity of five years. U.S. Treasury, agency, and supranational, municipal, and asset- backed securities can have a maximum maturity of 10 years. Agency mortgage-backed securities have a maximum maturity of 31 years with an average life limitation of 20 years. Agency collateralized mortgage obligations have a maximum maturity of 31 years with an average life limitation of 10 years. To further mitigate interest rate risk, the investment policy limits investments in asset-backed securities, mortgage-backed securities, and collateralized mortgage obligations to a combined maximum of 20.00% of the City's overall investments. The City also minimizes interest rate risk by maintaining a concentration of its portfolio invested in short-term and extremely liquid investments. The Manager is authorized to waive certain portfolio constraints when such action is deemed to be in the best interest of the City. The Manager has waived the maximum maturity for certain investments in U.S. agency securities that are part of the Denver Airport System structured pool created to facilitate an economic defeasance of a portion of the future debt service payments due on certain airport system bonds, and also the investments held for the Cable Land Trust and Workman's Compensation. Maturities of the underlying investments in the local government investment pool are limited by the pool's investment policies to less than one year.

At December 31, 2021, the City's investment balances and maturities for those investments subject to interest rate risk are shown in **Table 7** and **Table 8** (dollars in thousands):

Table 7

Investment Type		Fair Value		Investment Maturities in Years: Less than 1		1 - 5		6 - 10		Greater than 10
For the City										
Local government investment pool	$	243,752	$	243,752	$	-	$	-	$	-
Money market funds		995		995		-		-		-
Municipal bonds		146,387		30,004		109,517		5,201		1,665
U.S. Treasury securities		1,567,400		595,895		683,570		287,935		-
U.S. agency securities		1,379,466		152,563		1,029,061		192,484		5,358
Corporate bonds		746,385		95,730		643,829		6,826		-
Multinational fixed income		521,289		106,942		374,788		39,559		-
Structured products		415,854		14,917		272,670		122,871		5,396
Commercial paper		342,019		342,019		-		-		-
Total	**$**	**5,363,547**	**$**	**1,582,817**	**$**	**3,113,435**	**$**	**654,876**	**$**	**12,419**

Investment Type		Fair Value		Investment Maturities in Years: Less than 1		1 - 5		6 - 10		Greater than 10
For the City fiduciary										
Local government investment pool	$	1,129	$	1,129	$	-	$	-	$	-
Money market funds		5		5		-		-		-
Municipal bonds		573		132		441		-		-
U.S. Treasury securities		6,764		2,761		3,009		994		-
U.S. agency securities		5,716		683		4,258		753		22
Corporate bonds		3,134		420		2,699		15		-
Multinational fixed income		2,201		484		1,563		154		-
Structured products		1,707		54		1,093		535		25
Commercial paper		1,585		1,585		-		-		-
Total	**$**	**22,814**	**$**	**7,253**	**$**	**13,063**	**$**	**2,451**	**$**	**47**

Table 8

Investment Type		Fair Value		Investment Maturities in Years: Less than 1		1 - 5		6 - 10		Greater than 10
For DERP										
U.S. Treasury securities	$	350,739	$	1,030	$	186,179	$	17,824	$	145,706
U.S. agency securities		65,273		-		39,673		25,600		-
Asset backed		41		-		-		-		41
Corporate		16		13		-		-		3
For Deferred Compensation Plan										
Mutual funds	$	52,471	$	-	$	-	$	52,471	$	-
Total	**$**	**468,540**	**$**	**1,043**	**$**	**225,852**	**$**	**95,895**	**$**	**145,750**

Investments with undetermined or without maturity dates:		Fair Value		Investment Maturities in Years: Less than 1		1 - 5		6 - 10		Greater than 10
For Police Retiree Health Fund										
Mutual Funds	$	8,142	$	-	$	-	$	-	$	-
Total	**$**	**8,142**	**$**	**-**	**$**	**-**	**$**	**-**	**$**	**-**

The City's portfolio of investments includes callable securities. As of December 31, 2021, the City owned agency, corporate bond, structured product, and municipal bond callable securities with a fair value of $11,124,000, $434,775,000, $401,235,000 and $5,201,000 respectively.

Credit Quality Risk. Credit quality risk is the risk that the issuer or other counterparty to a debt security will not fulfill its obligations to the City. Moody's, Standard & Poor's, and Fitch Ratings are the three primary Nationally Recognized Securities Rating Organizations (NRSRO) that assess this risk and assign a credit quality rating for most investments. Obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government are assigned credit quality ratings of AAA by Fitch and Aaa by Moody's, both with stable outlooks as of December 31, 2021. Standard and Poor's rate securities of the U.S. Government AA+ also with a stable outlook. Of the City's investments at December 31, 2021, commercial paper, municipal bonds, corporate debt obligations, structured products, local government investment pools, and supranational securities were subject to credit quality risk

The City's Investment Policy requires that commercial paper be rated by at least two NRSRO with a minimum short-term rating of A-1, P-1, or F-1 at the time of purchase. The Investment Policy requires that the municipal bonds have a minimum underlying issuer rating from at least two of the three rating agencies of A+ or its equivalent. The Investment Policy requires that corporate debt obligations have a minimum underlying issuer rating from at least two of the NRSRO or A- or its equivalent. The Investment Policy requires that asset-backed securities have a minimum underlying issuer rating from at least two of the NRSRO of AA- or its equivalent. The Investment Policy requires that mortgage-backed securities and collateralized mortgage obligations that had ratings of at least Aaa by Moody's, AAA by Fitch and AA+ by Standard & Poor's. The Investment Policy also requires local government investment pools to be in compliance with Title 24 Part 7 of Article 24 of the Colorado Revised Statues. The Investment Policy also requires supranational securities by issued by institutions with debt obligations rated AAA, or the equivalent, by at least two NRSROs.

Information on the credit ratings associated with the City's investments including City managed fiduciary and excluding DERP as of December 31, 2021, is shown in **Table 9** (dollars in thousands).

Table 9

S&P	Commercial Paper	Municipal Bonds	Corporate Debt Obligations	Structured Products	Local Government Investment Pools	Money Market Funds	Multinational Fixed Income	Total
AAA	$ -	$ 39,950	$ 121,052	$ 187,416	$ 163,924	$ 1,000	$ 495,179	$ 1,008,521
AA+ to AA-	-	99,562	234,510	-	-	-	-	334,072
A+ to A-	-	1,077	365,861	-	-	-	-	366,938
A-1+ to A-1	343,604	-	-	-	70,954	-	-	414,558
BBB+	-	-	28,096	-	-	-	-	28,096
NR	-	6,371	-	230,145	10,003	-	28,311	274,830
Total	**$ 343,604**	**$ 146,960**	**$ 749,519**	**$ 417,561**	**$ 244,881**	**$ 1,000**	**$ 523,490**	**$ 2,427,015**
Moody's								
Aaa	$ -	$ 33,977	$ 239,209	$ 183,845	$ -	$ 1,000	$ 523,490	$ 981,521
Aa1 to Aa2	-	88,680	53,948	-	-	-	-	142,628
Aa3 to A1	-	13,184	220,225	-	-	-	-	233,409
A2 to A3	-	-	213,059	-	-	-	-	213,059
P-1	343,604	-	-	-	70,954	-	-	414,558
Baa2	-	-	23,078	-	-	-	-	23,078
NR	-	11,119	-	233,716	173,927	-		418,762
Total	**$ 343,604**	**$ 146,960**	**$ 749,519**	**$ 417,561**	**$ 244,881**	**$ 1,000**	**$ 523,490**	**$ 2,427,015**
U.S. Treasury securities								$ 1,574,164
U.S. Agency securities								1,385,182
Total								**$ 5,386,361**

The DERP manages credit risk through the constraints on investments specified in each manager's investment guidelines included in the Plan's Investment Policy. Securities implicitly governed by the U.S. Government are included.

Information on the credit ratings associated with the DERP investments in debt securities at December 31, 2021, is shown in **Table 10** (dollars in thousands).

Table 10

Credit Ratings for DERP

December 31, 2021 (dollars in thousands)

S&P	Moody's		Asset Backed		Corporate Bonds		Implicit U.S. Government Bonds		Total
AA+ to AA-	Aa3 to A1	$	-	$	-	$	65,273	$	65,273
CC+ to CC-	Ca		41		-		-		41
NR	NR		-		16		-		16
Total		**$**	**41**	**$**	**16**	**$**	**65,273**	**$**	**65,330**
U.S. Government								$	350,739
Non-rated funds									272,254
Total								**$**	**688,323**

NR - no rating available

Custodial Credit Risk. Custodial credit risk for investments is the risk that, in the event of a failure, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments are exposed to custodial credit risk if they are uninsured, are not registered in the City's name, and are held by either the counterparty to the investment purchase or are held by the counterparty's trust department or agent but not held in the City's name. None of the City's investments owned at December 31, 2021, were subject to custodial credit risk.

In accordance with the City's Investment Policy, all of the City's repurchase agreements are collateralized at 102.00% of the market value of the portfolio by U.S. agency securities at the time of purchase. Collateral valuation is calculated and adjusted at least once per week and adjusted on an as needed basis. Collateral for all investments, including repurchase agreements, are held in the City's name by the City's custodian, Principal Financial Group.

DERP has no formal policy for custodial credit risk. At December 31, 2021, DERP's cash deposits were collateralized in the amount of $250,000 with the remaining $1,412,000 not collateralized.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City's Investment Policy states that a maximum of 5.00% of the portfolio may be invested in commercial paper, municipal securities, corporate debt obligations, certificates of deposit, asset-backed securities, or mortgage-backed securities issued by any one obligor. The City's Investment Policy states that a maximum of 10.00% of the portfolio may be invested in an individual supranational obligor, local government investment pool, money market mutual fund, or collateralized mortgage obligation. The City's Investment Policy also limits investments in U.S. agency securities to 80.00% of total investments and no more than 25.00% in a single issue. The City's Investment Policy also limits investments in U.S. agency securities to 25.00% of total investments. The City's Investment Policy limits concentrations even further with a combined maximum of 50.00% of the portfolio that can be invested in corporate debt obligations, commercial paper, and certificates of deposit as well as a combined maximum of 20.00% of the portfolio that can be invested in structured products. As of December 31, 2021, all investments were in compliance with this policy. More than 5.00% of the City's investments are in individual issuers: Federal Home Loan Bank (11.46%), Federal National Mortgage Association (8.10%), and International Bank for Reconstruction and Development (5.29%).

The DERP Investment Policy mandates that no managed account may invest more than 5.00% of managed assets in the securities of a single issuer. As of December 31, 2021, all DERP investments were in compliance with this policy.

Foreign Currency Risk. Foreign Currency risk is the risk that changes in exchange rates will adversely affect their value of an investment or deposit. The City's Investment Policy, excluding the DERP pension trust fund, does not allow for investments in foreign currency. The DERP pension trust fund Investment Policy allows 16.00% to 26.00% of total investments to be invested in international equities and 1.00% to 4.00% of total investments to be invested in international fixed income. The DERP pension trust fund exposure to foreign currency risk as of December 31, 2021, is reflected in **Table 11** (dollars in thousands).

Table 11

Foreign Currency	**Equities**	**Fixed Income**	**Total**
Argentine Peso	$ 3,724	-	$ 3,724
Australian Dollar	16,160	-	16,160
Brazilian Real	10,888	4,874	15,762
British Pound Sterling	40,392	-	40,392
Canadian Dollar	17,896	-	17,896
Chilean Peso	585	-	585
Chinese Yuan	60,752	4,822	65,573
Czech Koruna	-	38	38
Columbian Peso	949	3,968	4,917
Danish Krone	7,917	-	7,917
Egyptian Pound	283	-	283
Euro	103,487	-	103,487
Hong Kong Dollar	22,546	-	22,546
Hungarian Forint	2,362	858	3,220
Indian Rupee	23,076	-	23,076
Indonesian Rupiah	3,412	3,807	7,219
Japanese Yen	56,278	-	56,278
Malaysian Ringgit	2,746	6,680	9,426
Mexican Peso	4,422	6,637	11,060
New Israeli Shekel	3,597	-	3,597
New Zealand Dollar	468	-	468
Norwegian Krone	892	-	892
Pakistani Rupee	222	-	222
Peru Sole	-	99	100
Philippine Peso	283	-	283
Polish Zloty	2,180	3,892	6,073
Qatari Riyal	909	-	909
Romanian Leu	-	1,394	1,394
Russian Ruble	6,882	4,310	11,191
Saudi Riyal	949	-	949
Singapore Dollar	4,303	-	4,303
South Korean Won	31,436	3,049	34,485
South African Rand	11,144	1,939	13,083
Swedish Krona	11,424	-	11,424
Swiss Franc	39,527	-	39,527
Taiwan Dollar	32,490	-	32,490
Thai Baht	4,825	441	5,266
Turkish Lira	2,726	531	3,257
United Arab Emirati Dirham	2,079	-	2,079
Other	7,085	-	7,085
Total Foreign Deposits and Investments	**$ 541,296**	**$ 47,339**	**$ 588,636**

3. **Denver Convention Center Hotel Authority (DCCHA).** DCCHA's investments were not subject to custodial credit risk at December 31, 2021, since they consisted solely of money market funds that are not evidenced by securities and are in DCCHA's name.
4. **Denver Urban Renewal Authority (DURA) and Caring for Denver Foundation.** DURA and Caring's investment policy limits investment maturities as a means of managing its exposure to fair value losses from increasing interest rates. At December 31, 2021, DURA and Caring's investment balances and maturities are shown **Table 12** (dollars in thousands).

Table 12

		Investment Maturities in Years	
Investment Type	**Fair Value**	**Less than 1**	**1 - 5**
Money market funds	$ 235	$ 235	$ -
Mutual funds	18,107	18,107	-
U.S. Treasury securities	55,307	2,811	52,496
Structured products	899	236	663
U.S. agency securities	21,903	5,880	16,023
Corporate bonds	4,981	-	4,981
Multinational fixed income	9,316	2,728	6,588
Municipal bonds	7,988	1,454	6,534
Commercial paper	8,581	8,581	-
Total	**$ 127,317**	**$ 40,032**	**$ 87,285**

Securities Lending. Although the City is authorized to enter into securities lending programs with certain qualified dealers, it had no security lending transactions in 2021. Under this program, investment securities owned by the City are loaned to the dealer up to a maximum of one year in exchange for a predetermined fee. The City continues to receive interest earnings on the loaned securities. The securities are collateralized by the dealer. The collateral is held in the City's name by Principal Financial Group, the City's custodian. Collateral for these transactions is limited to permissible investments included in the City's Investment Policy with maturities not exceeding one year from the date of settlement. The initial market value of the collateral for each investment position maintained with a dealer shall be 102.00% of the market value of the securities being collateralized. Market value includes investment principal plus accrued interest. Collateral valuation levels with each dealer must be determined on at least a weekly basis, and deficiencies from the required 102.00% level must be cured no later than the following business day. The City had no securities on loan as of December 31, 2021.

The DERP pension trust fund participates in a securities lending program to augment income. The program is administered by the DERP custodial agent bank, which lends certain securities for a predetermined period of time, to an independent broker/dealer (borrower) in exchange for collateral. Collateral may be cash, U.S. Government securities, defined letters of credit or other collateral approved by the DERP. Loans of domestic securities are initially collateralized at 102.00% of the fair value of securities lent. Loans of international securities are initially collateralized at 105.00% of the fair value of securities lent. The DERP continues to receive interest and dividends during the loan period as well as a fee from the borrower. There are no restrictions on the amount of securities that can be lent at one time. The duration of securities lending loans generally matches the maturation of the investments made with cash collateral. At December 31, 2021, the fair value of underlying securities lent was $131,367,325. The fair value of associated collateral was $136,045,003 of this amount, $77,080,319 represents the fair value of cash collateral and $58,964,684 is the fair value of non-cash collateral not reported on the financial statements. The DERP pension trust fund does not have the ability to pledge or sell non-cash collateral unless the borrower defaults, therefore it is not reported on the financial statements.

Note B – Receivables

1. **Accounts Receivables and Allowances**. The City reviews its accounts receivables periodically and allowances for doubtful accounts are established based upon management's assessment of collection.

   Table 13 represents the accounts receivables and allowances for doubtful accounts at December 31, 2021.

Table 13

Accounts Receivables and Allowances Summary

December 31, 2021 (dollars in thousands)

	Governmental Activities					
Receivable	General	Bond Projects	Human Services	Other Governmental Funds	Internal Service Funds	Total
Property taxes	$ 174,508	$ -	$ 80,753	$ 300,117	$ -	$ 555,378
Other taxes	96,198	-	1	40,846	-	137,045
Notes	17,125	-	-	176,491	-	193,616
Accounts	9,146	-	25	14,626	795	24,592
Long-term accounts	68,432	-	-	15,382	-	83,814
Accrued interest	1,429	2,662	-	4,931	241	9,263
Gross Receivable	**366,838**	**2,662**	**80,779**	**552,393**	**1,036**	**1,003,708**
Allowances	(61,171)	-	(453)	(103,858)	-	(165,482)
Net Receivable	**$ 305,667**	**$ 2,662**	**$ 80,326**	**$ 448,535**	**$ 1,036**	**$ 838,226**

	Business-type Activities				Fiduciary Funds
Receivable	Wastewater Management	Denver Airport System	Nonmajor Business-type	Total	Custodial and DERP
Property taxes	$ -	$ -	$ -	$ -	$ 1,312,002
Other taxes	-	-	-	-	3,761
Accounts	28,721	135,825	3,621	168,167	338
Long-term accounts	-	107,651	11	107,662	-
Accrued interest	876	9,949	133	10,958	-
Gross Receivable	**29,597**	**253,425**	**3,765**	**286,787**	**1,316,101**
Allowances	-	(2,763)	(7)	(2,770)	(6,510)
Net Receivable	**$ 29,597**	**$ 250,662**	**$ 3,758**	**$ 284,017**	**$ 1,309,592**

2. **Notes Receivable.** The special revenue funds', General Fund, related organizations, and component unit notes receivable balance at December 31, 2021 is shown in **Table 14** (dollars in thousands).

Table 14

	December 31	Percent of Total Related Notes Receivable
Neighborhood Development Loans	$ 11,975	n/a
Economic Development Loans	18,309	n/a
Housing Development Loans	163,333	n/a
Total Office of Economic Development	**193,617**	
Less allowances for delinquent loans	(11,756)	n/a
Less allowances for forgivable loans	(104,109)	n/a
Notes Receivable, Net	**$ 77,752**	
Denver Housing Authority	12,651	6.53%
Total Related Organizations Notes Receivable	**$ 12,651** (1)	
Denver Urban Renewal Authority	$ 4,146 (1)	2.14%
Denver Building Housing	$ 2,838 (1)	1.47%

(1) Amounts included in the notes receivable balance above.

Allowance for uncollectables for notes receivable of $115,865,000 is included in the accounts receivable allowance of $165,482,000 in **Table 13.** The Neighborhood, Economic and Housing Development loans are funded from both federal U.S. Housing and Urban Development grants and City monies designated for affordable housing. Recipients of affordable housing loans target low- and moderate-income households, special needs and the homeless. Rental and occupancy covenants are recorded on these properties for affordability periods of 20 years or more. Housing loans may be fully forgivable at the end of the affordability period, due and payable in full, or due and payable based on occupancy rates or other conditions. The Economic Development loans are made to qualified program recipients under the Community Development Block Grant to provide business owners with funds to promote job creation and growth in targeted areas. Loans are collateralized by the underlying properties.

3. **Long-Term Receivables Allowance.** Included in long-term receivables are amounts related to reimbursement for construction costs, parking fines and court fines. The City recorded an allowance for uncollectible accounts for governmental activities of $52,267,000. The DURA component recorded an allowance of $404,000.
4. **Operating Leases**. The Airport leases portions of its buildings and improvements to airline and concession tenants under non-cancelable operating leases. Lease terms vary from 1 to 30 years. The operating leases with the concession tenants require rental payments equal to the greater of a fixed minimum amount per square foot or percentage of gross receipts. Effective January 1, 2021, the Airport implemented relief policies (2021 COVID-19 Relief Policies) for revenue contracts providing certain fee waivers. For the concessionaires and rental car companies, the minimum annual guarantees, contractually due on a monthly basis, were waived for the year 2021. Accordingly, the future minimum rentals due from concession tenants for 2021 is $0. The concessionaires under these policies are required to pay contractually determined percentage rents monthly based on their concession sales and/or services activity during 2021. Rental income under operating leases for 2021 was $14,600,000. The United Airlines lease provides it can be terminated by the airline if the airline's cost per enplaned passenger exceeds $20 in 1990 dollars. Current costs per enplaned passenger did not approach this limit for 2021. Rental rates for airlines are established using the rate making methodology whereby a compensatory method is used to set terminal rental rates and a residual method is used to set landing fees. Rentals, fees, and charges must generate gross revenues together with other available funds sufficient to meet rate maintenance covenants per governing bond ordinances. Minimum future rentals due from concessions under operating leases are shown in **Table 15** (dollars in thousands).

Table 15

Year		
2022	$	54,606
2023		54,236
2024		53,066
2025		36,632
2026		31,566
2027-2031		57,964
2032-2035		6,644
Total	**$**	**294,714**

Note C – Interfund Receivables, Payables, and Transfers

Tables 16 and **17** (dollars in thousands) reflect the City's interfund balances as of December 31, 2021.

1. **Interfund Payables/Receivables.**

   These balances result from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made. In addition, some balances result from the overdraft of cash balances in the payable funds.

Table 16

Receivable Fund	Payable Fund: General Fund	Human Services	Nonmajor Governmental	Wastewater Management	Denver Airport System	Nonmajor Business-type	Internal Service	Total
General Fund	$ -	$ 1,133	$ 12,455	$ 936	$ 35,561	$ 379	$ 71	$ 50,535
Human Services	-	-	-	-	-	-	-	-
Nonmajor Governmental	-	-	32	-	99	-	-	131
Wastewater Management	1,470	-	-	-	219	-	-	1,689
Denver Airport System	807	-	-	-	-	-	-	807
Nonmajor Business-type	-	-	1,356	-	-	-	-	1,356
Internal Service	-	-	1,324	-	-	-	-	1,324
Total	**$ 2,277**	**$ 1,133**	**$ 15,167**	**$ 936**	**$ 35,879**	**$ 379**	**$ 71**	**$ 55,842**

2. **Transfers.**

Transfers are used to move revenues from the fund in which the City budget requires collection to the fund required to expend the monies, and to move unrestricted revenues collected in the General Fund to finance various activities accounted for in other funds.

The majority of transfers are transfers from the General Fund to special revenue funds for alternative transportation, business incentives, affordable housing, crime prevention, the Senior and Disabled Property Tax Refund Program and the Wastewater Affordability Program. Additionally, General Fund transfers in consist mainly of transfers out of capital improvement funds.

Table 17

Transfers In	Transfers Out: General Fund	Bond Projects	Human Services	Nonmajor Governmental	Wastewater	Nonmajor Business-type	Internal Service Fund	Total
General Fund	$ -	$ -	$ 1,308	$ 40,017	$ 13	$ 2,921	$ 1,513	$ 45,772
Human Services	-	-	-	-	-	-	188	188
Bond Projects	-	-	-	27,302	-	-	-	27,302
Nonmajor Governmental	19,687	33,432	502	82,421	-	-	26	136,068
Wastewater Management	-	-	-	1,066	-	-	49	1,115
Denver Airport System	-	-	-	-	-	-	198	198
Nonmajor Business-type	-	-	-	1	-	-	26	27
Total out	**$ 19,687**	**$ 33,432**	**$ 1,810**	**$ 150,807**	**$ 13**	**$ 2,921**	**$ 2,000**	**$ 210,670**

Note D – Capital Assets

Capital asset activity for the year ended December 31, 2021, are shown in **Tables 18** and **19.**

1. **Governmental Activities**

Table 18

Governmental Activities

For the Year Ended December 31, 2021 (dollars in thousands)

	January 1	Additions	Deletions	Transfers	December 31
Capital assets not being depreciated:					
Land and land rights	$ 681,221	$ 51,937	$ (2,128)	$ -	$ 731,030
Construction in progress	193,315	166,881	-	(66,177)	294,019
Total capital assets not being depreciated	**874,536**	**218,818**	**(2,128)**	**(66,177)**	**1,025,049**
Capital assets being depreciated:					
Buildings and improvements	2,589,148	7,184	(4,320)	55,306	2,647,318
Equipment and other	352,458	10,522	(7,625)	4,007	359,362
Collections	51,539	5,130	(5,094)	704	52,279
Intangibles	29,080	-	(4,200)	2,931	27,811
Infrastructure	2,023,267	61,552	(2,032)	1,913	2,084,700
Total capital assets being depreciated	**5,045,492**	**84,388**	**(23,271)**	**64,861**	**5,171,470**
Less accumulated depreciation for:					
Buildings and improvements	(1,066,702)	(71,547)	4,317	-	(1,133,932)
Equipment and other	(240,704)	(29,599)	7,477	(89)	(262,915)
Collections	(28,469)	(4,694)	5,079	-	(28,084)
Intangibles	(23,507)	(1,240)	317	-	(24,430)
Infrastructure	(1,049,325)	(62,974)	1,805	-	(1,110,494)
Total accumulated depreciation	**(2,408,707)**	**(170,054)**	**18,995**	**(89)**	**(2,559,855)**
Total capital assets being depreciated, net	**2,636,785**	**(85,666)**	**(4,276)**	**64,772**	**2,611,615**
Governmental Activities capital assets, net	**$ 3,511,321**	**$ 133,152**	**$ (6,404)**	**$ (1,405)**	**$ 3,636,664**

2. **Business-type Activities.**

Table 19

Business-type Activities

For the Year Ended December 31, 2021 (dollars in thousands)

	January 1	Additions	Deletions	Transfers	December 31
Capital assets not being depreciated:					
Land and land rights	$ 334,951	$ -	$ -	$ -	$ 334,951
Construction in progress	1,448,291	1,030,511	(31,199)	(661,549)	1,786,054
Total capital assets not being depreciated	**1,783,242**	**1,030,511**	**(31,199)**	**(661,549)**	**2,121,005**
Capital assets being depreciated:					
Buildings and improvements	4,517,710	-	(6,172)	422,536	4,934,074
Improvements other than buildings	2,527,823	11,669	(17,993)	128,629	2,650,128
Machinery and equipment	1,073,964	2,750	(6,757)	111,556	1,181,513
Intangibles	38,890	-	(510)	233	38,613
Total capital assets being depreciated	**8,158,387**	**14,419**	**(31,432)**	**662,954**	**8,804,328**
Less accumulated depreciation for:					
Buildings and improvements	(2,305,524)	(134,966)	5,679	-	(2,434,811)
Improvements other than buildings	(992,190)	(71,045)	12,575	-	(1,050,660)
Machinery and equipment	(812,772)	(48,590)	6,634	-	(854,728)
Intangibles	(36,254)	(1,669)	510	-	(37,413)
Total accumulated depreciation	**(4,146,740)**	**(256,270)**	**25,398**	**-**	**(4,377,612)**
Total capital assets being depreciated, net	**4,011,647**	**(241,851)**	**(6,034)**	**662,954**	**4,426,716**
Business-type Activities capital assets, net	**$ 5,794,889**	**$ 788,660**	**$ (37,233)**	**$ 1,405**	**$ 6,547,721**

3. **Major Discretely Presented Component Units.**

Capital Asset activity for the Denver Convention Center Hotel Authority, Denver Urban Renewal Authority, and the National Western Center Authority component units is shown in **Table 20.**

Table 20

Discretely Presented Component Units

For the Year Ended December 31, 2021 (dollars in thousands)

	January 1	Additions and Transfers	Deletions	December 31
Capital assets not being depreciated:				
Land and land rights	$ 23,421	$ -	$ -	$ 23,421
Construction in progress	-	24	(24)	-
Total capital assets not being depreciated	**23,421**	**24**	**(24)**	**23,421**
Capital assets being depreciated:				
Buildings and improvements	242,518	12	(10)	242,520
Machinery and equipment	34,978	50	(51)	34,977
Total capital assets being depreciated	**277,496**	**62**	**(61)**	**277,497**
Less accumulated depreciation for:				
Buildings and improvements	(98,629)	(7,919)	12	(106,536)
Machinery and equipment	(29,793)	(1,461)	48	(31,206)
Total accumulated depreciation	**(128,422)**	**(9,380)**	**60**	**(137,742)**
Total capital assets being depreciated	**149,074**	**(9,318)**	**(1)**	139,755
Capital Assets, net	**$ 172,495**	**$ (9,294)**	**$ (25)**	**$ 163,176**

(1) Excludes net capital assets of $14,167 of Other Component Units.

4. **Depreciation Expense.** Depreciation expense that was charged to governmental activities' functions is shown in **Table 21** (dollars in thousands).

Table 21

General government	$	17,488
Public safety		17,113
Transportation and infrastructure, including depreciation of infrastructure		77,954
Human services		2,195
Health		609
Parks and recreation		24,154
Cultural activities		30,005
Community development		269
Economic opportunity		100
Capital assets held by internal service funds		167
Total	**$**	**170,054**

5. **Construction Commitments.** The City's governmental and business-type activities have entered into construction and professional services contracts having remaining commitments under contract as of December 31, 2021, as shown in **Table 22** (dollars in thousands).

Table 22

Governmental Activities:		
Winter Park Capital	$	4,681
Capital Improvements		100,750
Conservation Trust		4,844
Bond Projects		179,061
Other Capital Projects		151,831
Entertainment and Culture		2,085
Total Governmental Activities	**$**	**443,252**
Business-type Activities:		
Wastewater Management	$	54,611
Denver Airport System		519,853
Total Business-type Activities	**$**	**574,464**

The commitments for these funds are not reflected in the accompanying financial statements. Only the unpaid amounts incurred to date for these contracts are included as liabilities in the financial statements.

6. **Tax Abatements.** The City negotiates property tax abatement agreements on an individual basis and has tax abatement agreements with 74 entities as of December 31, 2021.

Pursuant to sections 30-11-123 and 31-15-903, CRS, and Chapter 53, Article XVI, DRMC, the City is authorized under the Business Incentive Program to enter into agreements with qualifying taxpayers for an incentive tax credit in the amount of the general fund portion of the taxes upon the taxpayer's new taxable personal property assessed by the City upon the new taxable personal property located at or within a new business facility, or directly attributable to an expanded business facility and located at or within the expanded facility, and used in connection with the operation of the new or expanded facility.

If at any time after the City grants an incentive tax credit, the City, in its sole discretion determines that Taxpayer did not meet all requirements of sections 30-11-123 and 31-15-903, CRS, Chapter 53, Article XVI, DRMC or other incentive tax credit requirements of the City under section 53-544, DRMC in the tax year for which a credit was granted, Taxpayer agrees that City may issue to Taxpayer a Special Notice of Valuation, and assess and collect from Taxpayer, in the manner provided for in the Colorado Revised Statutes, taxes in the amount of the incentive tax credit for the subject tax year.

The City has not made any commitments as part of the agreements other than to reduce taxes. The City is not subject to any tax abatement agreements entered into by other governmental entities. Total tax abatements as of December 31, 2021 were $248,000.

DURA has entered into agreements with various redevelopers to reimburse developer expenditures for certain capital improvements using tax increment financing above a stated base, that is collected by the City and passed through to DURA. These reimbursements are conditional on the developer meeting specified obligations and will only be paid when enough tax increment revenue relating to the specific project is collected. As of December 31, 2021, the approved reimbursement obligations where tax increment revenue has already been collected and will be paid to various redevelopers was $59,373,000.

Note E – Lease Obligations

1. **Capitalized Leases and Certificates of Participation.** The governmental activities capital leases are for various properties including the Wellington Webb Municipal Office Building, 2000 West Third Avenue Wastewater building, the Denver office building at 200 W. 14th Ave., District 1, 2, 3, and 5 Police Stations, Fire Station #10, certain Human Services facilities, the Buell Theatre, the 5440 Roslyn maintenance facility property, and the public parking unit within the Cultural Center parking garage. The capital leases also include certain computer software and network equipment, and public works, safety, and parks and recreation equipment. Capitalized Leases and Certificates of Participation (COPs) outstanding, excluding unamortized premium of $11,470,000, at December 31, 2021, are $399,154,000.

The City did not enter into any new Certificates of Participation transaction in 2021.

The City provided funding for the construction of parking facilities adjacent to the Denver Museum of Nature and Sciences (DMNS) the Denver Zoo, and the Denver Botanic Gardens (DBG) from proceeds of certificates of participation (COP) financings. Under separate agreements, the DMNS, the Denver Zoological Foundation Inc., and DBG agreed to increase their admission charges and provide a portion of their admission revenues to help make the COP lease payments. In 2021, the DMNS collected and remitted $156,000 to the City to be applied to the lease payments. The Zoo collected and remitted $33,000 and DBG collected and deposited $1,731,000 with a trustee to be applied to lease payments.

In addition to base rental payments, the lease agreement related to the Wellington Webb Municipal Office Building requires the City to make all payments for any swap agreements relating to the Series 2008A Certificates of Participation (COPs) entered into by the lessor. There are 3 swap agreements considered to be hybrid instruments embedded in the lease. See **Note III-G-7** for detailed information regarding the swaps.

The related net book values of plant and equipment under capital lease obligations as of December 31, 2021, are shown in **Table 23** (dollars in thousands).

Table 23

	Governmental Activities	Business-type Activities
Buildings	$ 444,330	$ -
Equipment	41,751	6,798
Intangibles	69	-
Land	16,667	-
Less accumulated depreciation	(231,661)	(4,452)
Net Book Value	**$ 271,156**	**$ 2,346**

Table 24 (dollars in thousands) is a schedule by year of future minimum lease obligations together with the present value of the net minimum lease payments as of December 31, 2021.

Table 24	Governmental Activities		Business-type Activities
Year	Lease Obligations	Direct Placement Lease Obligations	Direct Placement Lease Obligations
2022	$ 32,574	$ 13,094	$ 2,054
2023	32,514	9,490	2,090
2024	27,503	9,164	985
2025	27,863	9,218	-
2026	28,286	9,242	-
2027-2031	164,043	32,085	-
2032-2036	45,235	4,270	-
2037-2041	40,752	854	-
2042-2046	40,753	-	-
2047-2048	16,298	-	-
Total minimum lease payments	**$ 455,821**	**$ 87,417**	**$ 5,129**
Less amounts representing interest	(134,354)	(9,728)	(246)
Present Value of Minimum Lease Payments	**$ 321,467**	**$ 77,689**	**$ 4,883**

Table 25 details assets pledged as collateral as of December 31, 2021.

Table 25	
Capital Leases	**Asset Type**
District Attorney	Computer equipment
Police	Helicopter
Golf	Equipment
Parks and Recreation	Equipment
Department of Transportation and Infrastructure	Vehicles
Safety	Equipment
Technology Services	Equipment
Fire	Equipment
General Services	Equipment
Certificates of Participation	**Location**
2008A1-A3	201 W. Colfax - Webb Office Building
2012A	Cultural Center Parking Garage
2012C1-C3	Arie P Taylor; Fire Station 10;Denver Permit Center (200 W. 14th); Districts 1,2,3,5 Police Station
2013A	Buell Theatre parcel and building
2015A	Fire Stations 18, 19, 22; Blair Caldwell 2401 Welton St
2017A	DBG Parking Facility
2018A	Portion of Colorado Convention Center Rooftop
2020A1-A2	1271 W. Bayaud on the Central Platte Campus

2. **Operating Leases.** The City is committed under various cancelable leases for property and equipment. These leases are considered for accounting purposes to be operating leases. Lease expenses for the year ended December 31, 2021, were approximately $22,843,000, for governmental activities and $826,000, for business-type activities. The City expects these leases to be replaced in the ordinary course of business with similar leases. Future minimum lease payments should be approximately the same amount.

Note F – Rates and Charges

The Denver Airport System Airport establishes annually, as adjusted semi-annually, airline facility rentals, landing fees, and other charges sufficient to recover the costs of operations (excluding certain debt service payments), maintenance, and debt service related to the airfield and the space rented by the airlines. Any differences between amounts collected from and actual costs allocated to the airlines' leased spaces are credited or billed to the airlines.

50% of Net Revenues (as defined by the bond ordinance) remaining at the end of the year with an annual cap of $40,000,000 are to be credited in the following year to the airline rates and charges. As of December 31, 2021, the Net Credit liability balance is $40,000,000.

Note G – Long-Term Debt

1. **General Obligation Bonds.** The City issues general obligation bonds to provide for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. General obligation bonds are reported in the proprietary funds if they are expected to be repaid from proprietary fund revenues.

   The City did not issue any new General Obligation bonds in 2021.

   General obligation bonds are direct obligations and pledge the full faith and credit of the City. These bonds are generally issued as 15 to 20-year serial bonds, except for refunding issues. General obligation bonds outstanding, excluding compound interest of $13,606,000 and excluding unamortized premium of $110,124,000 at December 31, 2021, are $737,460,000. Interest rates vary from 2.00% to 5.00% with a net interest cost of 0.73% to 5.00%.

   Annual debt service requirements to maturity for general obligation bonds are shown in **Table 26** (dollars in thousands).

Table 26

	General Obligation Bonds [1]		General Obligation Bonds - Direct Placements	
Year	**Principal**	**Interest**	**Principal**	**Interest**
2022	$ 59,861	$ 37,352	$ 14,890	$ 1,453
2023	36,760	28,942	15,245	1,102
2024	37,970	24,403	15,600	743
2025	39,845	22,619	15,965	376
2026	53,735	20,686	-	-
2027-2031	278,910	61,075	-	-
2032-2036	116,145	13,680	-	-
2037-2039	52,534	2,115	-	-
Total	**$ 675,760**	**$ 210,872**	**$ 61,700**	**$ 3,674**

[1] Does not include $8,798 and $4,808 of compound interest on the Series 2007 and 2014A mini-bonds respectively, or unamortized premium of $110,124.

2. **Revenue Bonds.** The City and component units issue bonds and notes where income derived from acquired or constructed assets is pledged to pay debt service. Certain Airport system revenue bonds are subject to mandatory redemption requirements in 2015, and subsequent years. Revenue bonds outstanding, excluding unamortized premium (net of discount) of $88,237,000 and $24,035,000 for the primary government and the component unit DCCHA respectively, at December 31, 2021, are shown in **Table 27** (dollars in thousands).

Table 27

Purpose	**Net Interest Cost**	**Interest Rates**	**Amount**
Excise Tax Revenue	0.72-2.79%	2.00-5.00%	$ 849,000
Wastewater Management	2.41-3.39%	3.00-5.00%	220,755
Denver Airport System - senior lien bonds		.82-6.41%	1,695,365
Denver Airport System - subordinate lien bonds		3.50-5.50%	3,155,980
Denver Airport System - direct placement senior lien bonds		.48-.97%	227,155
Denver Airport System - direct placement subordinate lien bonds		.21-2.20%	930,150
Total primary government			**$ 7,078,405**
DCCHA component unit		4.00-5.00%	$ 264,135
Total			**$ 7,342,540**

Revenue bonds' debt service requirements to maturity are shown in **Tables 28** and **29** (dollars in thousands).

Table 28

	Governmental Activities	
	Principal[1]	**Interest**
2022	$ 15,910	$ 35,947
2023	17,990	32,166
2024	12,205	31,364
2025	14,180	30,833
2026	16,215	30,278
2027-2031	111,619	146,429
2032-2036	103,355	168,732
2037-2041	120,846	151,234
2042-2046	194,370	79,881
2047-2051	242,310	31,223
Total	**$ 849,000**	**$ 738,087**

	Business-type Activities					
	Wastewater Management		Denver Airport System			
	Direct Placement		Senior and Subordinate		Senior and Subordinate Direct Placement	
	Principal[2]	**Interest**	**Principal**[3]	**Interest**[4]	**Principal**[3]	**Interest**[4]
2022	$ 8,085	$ 8,606	$ 140,390	$ 226,719	$ 785,080	$ 8,116
2023	6,275	8,238	212,255	217,060	48,310	4,643
2024	6,550	7,956	192,275	207,460	77,805	4,699
2025	6,850	7,661	241,100	198,558	78,000	3,211
2026	7,155	7,352	204,830	186,679	26,940	1,936
2027-2031	40,520	32,036	1,117,985	799,523	141,170	4,688
2032-2036	39,615	24,434	918,550	558,859	-	-
2037-2041	45,565	16,368	851,105	350,731	-	-
2042-2046	54,670	7,263	696,030	159,903	-	-
2047-2048	5,470	192	276,825	19,948	-	-
Total	**$ 220,755**	**$ 120,106**	**$ 4,851,345**	**$ 2,925,440**	**$ 1,157,305**	**$ 27,293**

(1) Does not include unamortized premium of $88,237.and compound interest of $12,921 on the Series 2018A

(2) Does not include unamortized premium of $ 20,429.

(3) Does not include unamortized premium of $ 335,548.

Table 29

	Component Unit	
	DCCHA	
Year	**Principal**[1]	**Interest**
2022	$ 8,670	$ 13,027
2023	9,100	12,593
2024	9,555	12,138
2025	10,035	11,660
2026	10,535	11,159
2027-2031	61,125	47,344
2032-2036	78,015	30,456
2037-2040	77,100	9,679
Total	**$ 264,135**	**$ 148,056**

(1) Does not include unamortized premium of $24,035.

In January 2000, the City increased the tax rate on its lodger's tax by 1.75% and short-term auto rental tax by 1.75%. The City has pledged the increased portion of those taxes for debt service on $149,190,000 of Series

2005A Excise Tax Revenue Refunding Bonds issued in August 2005, and $73,630,000 of Series 2009A Excise Tax Revenue Refunding Bonds issued in May 2009. The bonds were issued for the purpose of refunding bonds that financed the expansion of the Colorado Convention Center and were payable through 2023.

In November 2015, Denver voters approved the indefinite extension of each of the 1.75% lodger's tax and the 1.75% auto rental tax increases ("Excise Tax Increases") and authorized the issuance of up to $778 million of new excise tax revenue bonds supported by pledged portions of the lodger's, food and beverage, and 23 auto rental taxes for the purpose of financing tourism-related projects for the National Western Center and for improvements to the Colorado Convention Center.

In April 2016, the City issued Dedicated Tax Revenue Refunding and Improvement Bonds, Series 2016AB, in the amount of $397,310,000. The bonds were issued to fund the initial costs of the National Western Center and Colorado Convention Center improvements, as well as to advance refund all of the outstanding 2005A and 2009A bonds. Effective April 6, 2016, all of the outstanding 2005A and 2009A bonds were defeased and advance refunded resulting in a present value savings of $3,608,000 and a deferred loss of $17,517,000. The City pledged additional revenues to the repayment of the 2016A-B bonds that were not pledged to the repayment of the 2005A and 2009A bonds. The previously unpledged 3.25% and 3.5% portions of the lodger's tax and auto rental tax, respectively, have been pledged to the repayment of the 2016A-B bonds.

The Series 2016A bonds are fixed rate bonds with final maturity in 2046; The Series 2016B bonds are fixed rate bonds with final maturity in 2032. The total principal and interest remaining to be paid on the bonds is $473,560,000 with annual combined debt service requirements ranging from $7,327,000 to $36,353,000. In 2021, debt service paid and net revenue available for debt service was $26,692,000 and $96,832,000, respectively.

In August 2018, the City issued Dedicated Tax Revenue Current Interest and Capital Appreciation Bonds, Series 2018A and 2018B, in the amount of $300,000,000. The bonds were issued to finance and defray the cost of acquiring, constructing, installing and improving the National Western Center campus, as well as fund the reserve fund and pay the cost of issuing the Series 2018 bonds. The previously unpledged 3.25% and 3.50% portions of the lodger's tax and auto rental tax, respectively, have been pledged to the repayment of the bonds.

The Series 2018A bonds are fixed rate bonds with final maturity in 2048; The Series 2018B bonds are fixed rate bonds with final maturity in 2029. The total principal and interest remaining to be paid on the bonds is $583,763,000 with annual combined debt service requirements ranging from $5,679,000 to $49,103,000. In 2021, debt service paid and net pledged revenue available for debt service was $9,618,000 and $34,022,000, respectively.

In May 2021, the City issued Dedicated Tax Revenue Bond, Series 2021A, in the par amount of $273,830,000. The bond was issued to (i) finance and defray the cost of acquiring, constructing, installing and improving the National Western Center campus and the Colorado Convention Center, together with all necessary, incidental or appurtenant properties, facilities, equipment and costs; (ii) fund capitalized interest; (iii) purchase a municipal bond debt service reserve insurance policy; and (iv) pay the costs of issuing the Series 2021A Bonds. The previously unpledged 1.75% and 1.75% portions of the lodger's tax and auto rental tax, respectively, have been pledged to the repayment of the bonds. No new excise taxes or increases to existing excise taxes were imposed in conjunction with the issuance of the Series 2016A-B, 2018A-B, or 2021A bonds.

The Series 2021A bonds are fixed rate bonds with final maturity in 2051. The total principal and interest remaining to be paid on the bonds is $529,765,000 with annual combined debt service requirements ranging from $6,040,000 to $54,418,000. There was no debt service payment due in 2021.

On August 20, 2019, the Airport issued the Airport System Subordinate Revenue Bonds Series 2019A (AMT) (Series 2019A) and Series 2019B (Taxable) (Series 2019B) for $145,900,000 and $22,700,000, respectively. The Series 2019A and Series 2019B proceeds coupled with Airport contributions of approximately $54,700,000 were used to refund the Series 2008C2 and Series 2008C3 Bonds, terminate the 1998 Swap Agreements with Goldman Sachs Capital Markets, L.P. and Societe Generale, New York Branch, and fund the costs of issuance.

On November 15, 2019, the Airport issued the Airport System Subordinate Revenue Bonds Series 2019C (Non-AMT) (Series 2019C) and Series 2019D (Non-AMT) (Series 2019D) for $120,000,000 and $83,700,000, respectively. The Series 2019C and Series 2019D proceeds coupled with Airport contributions of approximately $15,300,000 were used to refund the Series 2009A and Series 2016B Bonds, terminate the 2006A Swap Agreements with JP Morgan Chase Bank, and fund the costs of issuance.

On October 28, 2020, the Airport issued the Airport System Revenue Bonds Series 2020A-1 (Non-AMT Private Activity), Series 2020A-2 (Non-AMT Governmental), Series 2020B-1 (AMT), Series 2020B-2 (AMT), and Series 2020C (Taxable) for $95,300,000, $60,500,000, $37,500,000, $24,100,000, and $411,500,000, respectively. Proceeds from these 2020A-C bonds coupled with use of bond reserve and bond funds were used to (i) refund and redeem all or a portion of the outstanding principal amounts of $35,300,000, $35,500,000, $79,100,000, $114,800,000, $17,000,000, $9,000,000, $135,400,000, and $198,700,000 of the Airport System Revenues Bonds Series 2007F1, Series 2007F2, Series 2008C1, Series 2010A, Series 2011A, Series 2012A, and Series 2012B, respectively, (ii) pay the costs of terminating a 2008B Swap Agreement with Loop Financial Products I, LLC, and (iii) pay the costs of issuance. All the 2020A-C bonds bear interest at various fixed rates and staggered maturities through November 15, 2037.

On April 19, 2021, the City, for and on behalf of the Airport, issued a Notice of Full Prior Redemption of the Airport System Revenue Bonds, Series 1992C (LOI 1998/1999 bond). On May 20, 2021, the City, for and on behalf of the Airport, fully redeemed all the outstanding principal amount of $40,100,000, plus accrued interest.

On July 14, 2021, the City, for and on behalf of the Airport, entered into a Bond Purchase and Exchange Agreements with Banc of America Preferred Funding Corporation for the Series 1992F-G for the Series 2021A-B, respectively. With the execution of this Bond Purchase and Exchange Agreement there were no longer any outstanding Airport System Revenue Bonds issued prior to August 1, 2000. This adjusted the calculation of the Minimum Bond Reserve as defined within the General Bond Ordinance and reduced the Minimum Bond Reserve amount as it applies to the senior lien airport system revenue bonds. The City, for and on behalf of the Airport, filed a Voluntary Notice (see https://emma.msrb.org/P21480842-P21148170-P21561857.pdf).

On December 17, 2021, the City, for and on behalf of its Department of Aviation, issued private activity Airport System Subordinate Revenue Bonds, Series 2021C (Series 2021C Bonds) and issued a Note Purchase Agreement (2021 Interim Note) in the amounts of $26,200,000 million and $700,000,000, respectively. The proceeds from the issuance of the 2021 Interim Note are to assist in funding the 2018-2022 Capital Program and were used to pay for issuance cost. The maturity date of the 2021 Interim Note is June 30, 2022. The 2021 Interim Note bears interest at a variable rate due at maturity. The Series 2021C Bonds were issued at a fixed interest rate for the purposes of current refunding Series 2011A Bonds maturing on November 15, 2021. The Series 2021C Bonds mature on November 15, 2022.

Direct placement debt issuances held by the Denver Airport System are shown in **Table 30** (dollars in thousands)

Table 30

Series	2008B	2009C	1992F[2]	1992G[2]
Par Outstanding at 12/31/2021:	$35,100	$56,455	$-	$-
Lien:	Senior	Senior	Senior	Senior
Bond Maturity Date:	11/15/2031	11/15/2031	11/15/2031	11/15/2031
Facility and Reimbursement Agreement Type:	Credit	Credit	Credit	Credit
As of 12/31/2021:				
Financial Institution:	Bank of America, N.A.	Bank of America, N.A.	Banc of America Preferred Funding Corporation	Banc of America Preferred Funding Corporation
Terms:				
Execution Date	7/1/2020	4/28/2017	10/24/2014	10/24/2014
Initial Expiration Date	7/1/2023	4/28/2020	9/25/2017	9/25/2017
Amended Expiration Date	n/a	4/28/2023	9/25/2020	9/25/2020
2nd Amended Expiration Date	n/a	n/a	4/28/2023	4/28/2023
Index Rate 12/31/2021:	SIFMA Index Rate	SIFMA Index Rate	SIFMA Index Rate	SIFMA Index Rate
12/31/2020	SIFMA Index Rate	SIFMA Index Rate	SIFMA Index Rate	SIFMA Index Rate
12/31/2019				
Applicable Spread as of 12/31/2021:	0.37%	0.37%	0.37%	0.37%
Increase in Applicable Spread Due To Credit:				
Rating Downgrade	Yes[1]	Yes[1]	Yes[1]	Yes[1]
Margin Rate Factor	n/a	n/a	n/a	n/a
Rate Formula	Rate Formula Index Rate x	Rate Formula Index Rate x	Rate Formula Index Rate x	Rate Formula Index Rate x
Rate Formula	Applicable Factor +	Applicable Factor +	Applicable Factor +	Applicable Factor +
	Applicable Spread	Applicable Spread	Applicable Spread	Applicable Spread
Moody's Rating as of 12/31/2021:	A1	A1	n/a	n/a
S&P Rating as of 12/31/2021:	A+	A+	n/a	n/a
Fitch Rating as of 12/31/2021:	AA-	AA-	n/a	n/a

(1) See Applicable Spread table.

(2) These bond series were refunded with the 2021A and 2021B series.

Table 30

Series	2002C	2007G1	2007G2	2015A	2019A
Par Outstanding at 12/31/2021:	$17,200	$46,300	$46,500	$99,540	$104,390
Lien:	Senior	Senior	Senior	Subordinate	Subordinate
Bond Maturity Date:	11/15/2031	11/15/2031	11/15/2031	11/15/2025	11/15/2031
Facility and Reimbursement Agreement Type:	Credit	Credit	Credit	Credit	Credit
As of 12/31/2021:					
Financial Institution:	Banc of America Preferred Funding Corporation	BMO Harris Investment Corp.	BMO Harris Investment Corp.	Bank of America, N.A.	State Street Public Lending Corporation
Terms:					
Execution Date	9/25/2014	11/1/2014	11/1/2014	11/20/2015	8/27/2019
Initial Expiration Date	9/25/17	12/1/2023	12/1/23	11/15/2025	11/15/2025
Amended Expiration Date	9/25/2020	n/a	n/a	n/a	n/a
2nd Amended Expiration Date	4/28/2023	n/a	n/a	n/a	n/a
Index Rate 12/31/2021:	SIFMA Index Rate	1-month LIBOR Rate	1-month LIBOR Rate	Fixed Rate	Fixed Rate
Applicable Factor:	70.00%	70.00%	70.00%	n/a	n/a
Applicable Spread as of 12/31/2021:	0.37%	0.90%	0.90%	n/a	n/a
Increase in Applicable Spread Due To Credit:					
Rating Downgrade	Yes[1]	Yes[1]	Yes[1]	n/a	n/a
Margin Rate Factor	n/a	n/a	n/a	n/a	n/a
Rate Formula	Rate Formula Index Rate x	Rate Formula Index Rate x	Rate Formula Index Rate x	n/a	n/a
	Applicable Factor +	Applicable Factor +	Applicable Factor +	n/a	n/a
	Applicable Spread	Applicable Spread	Applicable Spread	n/a	n/a
Moody's Rating as of 12/31/2021:	A1	A1	A1	n/a	n/a
S&P Rating as of 12/31/20201	A+	A+	A+	n/a	n/a
Fitch Rating as of 12/31/2021:	AA-	AA-	AA-	n/a	n/a

Series	2021A	2021B	2021 Interim Note
Par Outstanding at 12/31/2021:	$14,000	$11,600	$700,000
Lien:	Senior	Senior	Subordinate
Bond Maturity Date:	11/15/2031	11/15/2031	6/30/2022
Facility and Reimbursement Agreement Type:	Credit	Credit	Note purchase agreement
As of 12/31/2021:			
Financial Institution:	Banc of America Preferred Funding Corporation	Banc of America , N.A	Banc of America , N.A
Terms:			
Execution Date	9/25/2014	9/25/2014	12/17/2021
Initial Expiration Date	9/25/17	9/25/17	6/30/22
Amended Expiration Date	9/25/2020	9/25/2020	n/a
2nd Amended Expiration Date	4/28/2023	4/28/2023	n/a
Index Rate 12/31/2021:	SIFMA Index Rate	SIFMA Index Rate	SIFMA Index Rate
Applicable Factor:	n/a	n/a	n/a
Applicable Spread as of 12/31/2021:	0.37%	0.37%	0.11%
Increase in Applicable Spread Due To Credit:			
Rating Downgrade	Yes[1]	Yes[1]	Yes[1]
Margin Rate Factor	n/a	n/a	n/a
Rate Formula	Rate Formula Index Rate x	Rate Formula Index Rate x	Rate Formula Index Rate x
	Applicable Factor +	Applicable Factor +	Applicable Factor +
	Applicable Spread	Applicable Spread	Applicable Spread
Moody's Rating as of 12/31/2021:	A1	A1	n/a
S&P Rating as of 12/31/20201	A+	A+	n/a
Fitch Rating as of 12/31/2021:	AA-	AA-	n/a

[1] See Applicable Spread table.

Some of these bonds may be periodically remarketed to banks and the bank owners and can change before reaching maturity or are otherwise paid. These are certain events which could result in a higher interest rate and/or an acceleration of amounts due on these bonds. These events are described in the event filed on the Municipal Securities Rulemaking Boards (MSRB) Electronic Municipal Market Access (EMMA) site using the following links:

Credit Facility Bond Series

2008B	https://emma.msrb.org/SS1490948.pdf	Second Amended and Restated Reimbursement Agreement
2009C	https://emma.msrb.org/SS1480419.pdf	First Amendment to Credit Facility and Reimbursement Agreement
1992F	https://emma.msrb.org/SS1480106.pdf	Second Amended and Restated Reimbursement Agreement
1992G	https://emma.msrb.org/SS1480107.pdf	Second Amended and Restated Reimbursement Agreement
2002C	https://emma.msrb.org/SS1480109.pdf	Amended and Restated Credit Facility and Reimbursement Agreement
2019A	https://emma.msrb.org/ER1380040.pdf	Credit Facility and Reimbursement Agreement
2019B	https://emma.msrb.org/ER1380040.pdf	Credit Facility and Reimbursement Agreement
2021A	https://emma.msrb.org/P21489462-P11171100-P11586834.pdf	Credit Facility and Reimbursement Agreement
2021B	https://emma.msrb.org/P21489462-P11171100-P11586834.pdf	Credit Facility and Reimbursement Agreement
2021C	https://emma.msrb.org/P21533161-P11197861-P11616050.pdf	Bond Purchase Agreement
2021 Interim Note	https://emma.msrb.org/P21533161-P11197861-P11616050.pdf	Note Purchase Agreement

For some bond series, the Reimbursement Agreements are not available on EMMA. These bonds series have the same event of default requirements as other bond series. Similar events of default sections within the Credit Agreements are detailed in **Table 31**.

Table 31
Similar Events of Default as of December 31, 2021:

Senior Lien		Senior Lien	
Sections with Credit Agreement	**Series**	**Sections with Credit Agreement**	**Series**
Section 5.10	2008B(1)	Section 6.10	2021A(1)
Section 5.11	1992F(1)	Section 6.12	2021B(1)
Section 5.13	1992G(1)	Section 6.14(b)	
Section 5.15(b)	2002C(1)	Section 6.16	
Section 5.17	2009C(1)	Section 7.1(a)	
Section 5.22	2007G1(2)	Section 7.1(b)	
Section 5.25	2007G2(2)		
Section 5.26			

As of December 31, 2021, the Airport has not defaulted on any of the events of defaults.

Applicable Spread. The variable rate interest due on these bonds is contingent on the related index and the related Senior Bond Ratings. If the Airport Senior Bond Rating adjusts so does the applicable spread basis points used to calculate the interest due. Below are the applicable spreads for each variable rate Bond Series:

Applicable spread upon credit ratings downgrade as of December 31, 2021, are presented in **Table 32**.

Table 32

Credit Facility Bond Series 2007 G1&G2			
Moody's	**S&P**	**Fitch**	**Applicable Spread**
A1 or higher	A+ or higher	A	90 basis points (0.90%)
A2	A	A-	116 basis points (1.16%)
A3	A-	BBB+	143 basis points (1.43%)
Baa1	BBB+	BBB	172 basis points (1.72%)
Baa2	BBB	BBB	203 basis points (2.03%)

Refer to EMMA for detailed information regarding the Applicable Spread upon Credit Ratings for each of the following Series: 2008B, 2009C, 1992F, 1992G, and 2002C.

For the Series 2008B, 2009C, 1992F, 1992G, and 2002C, in the event the Airport maintains Senior Bond ratings from each of Moody's, S&P and Fitch, known as the Rating Agencies, and two of such Senior Bond ratings are equivalent, the Applicable Spread shall be based upon the Level in which the two equivalent Senior Bond ratings appears; if Senior Bond Ratings are assigned by all three Rating Agencies and no two such Senior Bond Ratings are equivalent, the Applicable Spread shall be based upon the Level in which the middle Senior Bond Rating appears; and if the Senior Bond Ratings are assigned by only two Rating Agencies and such Senior Bond Ratings are not equivalent, the Applicable Spread shall be based upon the Level in which the lower Senior Bond Ratings appears. Any change in the Applicable Spread resulting from a reduction, withdrawal, suspension or unavailability of a Senior Bond Rating shall be and become effective as of and on the date of the announcement of the reduction, withdrawal, suspension or unavailability of such Senior Bond Rating.

For Series 2007G1 & G2, in the event the Airport maintains Senior Bond ratings assigned by all three Rating Agencies, the Applicable Spread shall be based upon the Level in which the lower of the two highest Senior Bond Ratings appears; and if the Senior Bond Ratings are assigned by only two Rating Agencies and such Senior Bond Ratings are no equivalent, the Applicable Spread shall be based upon the Level in which the lower Senior Bond Ratings Appears. Any change in the Applicable Spread resulting from a reduction, which, suspension or unavailability of a Senior Bond Rating shall be and become effective as of and on the date of the announcement of the reduction, withdrawal, suspension or unavailability of such Senior Bond Rating.

The City, through its Wastewater Management Division, has pledged future income from its storm drainage and sanitary sewerage facilities, net of operating expenses, for debt service on $50,425,000 of Series 2012 Wastewater Revenue Bonds issued in January 2012, and for debt service on $115,000,000 of Series 2016 Wastewater Revenue bonds issued in November of 2016 and for debt service of $103,050,000 of Series 2018 Wastewater Revenue bonds. The Series 2012 bonds were issued for the purpose of refunding the remaining $20,350,000 of Series 2002 Wastewater Revenue bonds outstanding and to finance improvements to the storm drainage facilities. The Series 2016 bonds were issued to finance capital improvement projects. The Series 2018 were issued to finance additional capital improvement projects. The total principal and interest remaining to be paid on the bonds is $340,861,000. In 2021, principal and interest payments were $16,693,000. Total principal and interest payments remaining on the bonds are $220,755,000 and $120,106,000, respectively, payable through 2047. Over the past 10 years, annual net revenues available for debt service have averaged $41,523,000. For detailed information on individual bond issues see **Other Supplementary Schedules – Combined Schedule of Bonds Payable and Escrows.**

3. **Other Debt.** DURA's note payable and tax increment bonds, exclusive of unamortized premium of $12,751,000, and a discount of $394,000, at December 31, 2021, are comprised of the following individual issues shown in **Table 33** (dollars in thousands).

Table 33

Purpose	Interest Rates		Amount
Series 2010B-1	3.00-5.00%	$	31,165
Series 2013A-1	5.00%		66,075
Series 2014D-2 - direct borrowing	4.10-4.19%		24,340
Series 2018 A	5.25%		49,565
Note payable			4,146
Total		**$**	**175,291**

The DURA 2014D-2 direct borrowings have the following terms related to events of default with finance-related consequences: Immediately upon the occurrence of a Loan Default, each Advance Amount or the Outstanding Loan Amount, as applicable, will accrue interest at the applicable Premium Rate. The Premium Rate shall be the applicable interest rate until such time as the applicable Loan Default or an Event of Loan Default is cured to the satisfaction of the Lenders.

On June 23, 2016, the RiNo Denver General Improvement district issued $3,000,000 of revenue notes for the purpose of financing improvements to Brighton Boulevard between 29th and 44th Streets. The revenue notes were issued with a fixed rate of 3.55% and mature on 6/1/2036. Debt service for the RiNo General Improvement District's revenue note is to be paid from special assessments collected from property owners fronting Brighton Boulevard within the district.

On February 3, 2017, the Downtown Denver Development Authority (DDDA) district issued $197,315,000 of direct placement tax increment revenue bonds with a fixed interest rate of 7.00% with principal due annually beginning December 1, 2017 through December 1, 2027, at which time the outstanding loan amount, less any amount transferred from the Reserve Fund and applied to the repayment of the outstanding loan amount, shall be due and payable in full. The proceeds of the loan were used to refund the Transportation Infrastructure Financing and Innovation Act Loan (TIFIA Loan) and the Railroad Rehabilitation and Improvement Financing Loan (RRIF Loan) formerly held by the Denver Union Station Project Authority prior to dissolving in 2017 to finance a multi-model transportation hub project that included light rail, commuter rail and a regional bus facility. Debt service for the DDDA tax increment revenue bond is equal to available cash flow up to $19,732,000 annually. If there is cash flow above $19,732,000 annually, the City will determine if the excess will be used to prepay the principal amount.

The DDDA agreement contains terms regarding significant Events of Default with finance-related consequences that are classified as (1) failure to pay the scheduled principal or interest amount, or any other amount due and payable to and lender, (2) misrepresentation, (3) any final judgement obtained against the City that must be paid with loan funds or creates a lien on the funds, (4) bankruptcy, (5) the agreement is deemed null and void, (6) an event occurs that would have a material adverse on the City's ability to perform and the City fails to cure such condition, (7) the funds become subject to any judgement, and (8) action without consent, (9) default in obligations under any financing document, (10) failure to deposit pledged revenues, (11) dissolve or consolidate the DDDA, (12) refusal or inability of City's auditor to deliver an unmodified opinion, (13) failure to impose DUS Project Mill Levy, (14) DUS takes adverse action that effect pledged revenues or assets, and (15) an event of default is continuing after the expiration date of any applicable grace period . In an Event of Default, the administrator may apply all amounts on deposit in the Reserve and Surplus funds.

On August 17, 2017 the Denver 14th Street General Improvement district issued a $4,000,000 refunding revenue note with an interest rate of 2.83% with principal due annually beginning on December 1, 2021 through December 1, 2031, at which time the interest rate will be reset at the then Federal Home Loan Board of Des Moines, Iowa one year advance rate. Interest is payable semiannually commencing June 1, 2021. The proceeds of the loan were used to advance refund the General Improvement Districts 2010 Revenue Bonds whose proceeds were used to provide funds to pay the costs and expenses of the 14th street streetscape and sidewalk improvements. The Notes are subject to redemption at the option of the GID on December 1, 2022 at a redemption price equal to the principal amount of each note plus a redemption premium of 1.5%,, 1% premium from 2023 through December 1, 2027, .5% premium from 2028 through December 1, 2032 and no premium from 2033 through 2034. The note is secured by the pledged revenue derived from the imposition of capital charges on property owners within the District. The Capital charges constitute a perpetual lien on and against such property, and if capital charges are not paid when due, may be foreclosed the same as a mechanics lien.

Debt service requirements to maturity for DURA, DDDA, RiNo GID, and 14th Street GID's bonds and revenue notes are shown in **Table 34** (dollars in thousands).

Table 34

			Direct Borrowing						Direct Placement	
	DURA		DURA		RiNo GID		14th Street GID		DDDA	
Year	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2022	$ 19,835	$ 7,380	$ 5,660	$ 1,038	$ 97	$ 62	$ 215	$ 94	$ 10,248	$ 4,058
2023	21,005	6,431	7,270	798	101	59	220	88	10,770	3,706
2024	22,970	5,415	8,590	488	105	55	225	82	11,278	3,345
2025	39,860	4,262	2,820	121	108	51	235	76	11,818	2,948
2026	1,970	2,265	-	-	112	48	240	69	12,444	2,542
2027-2031	11,500	9,660	-	-	625	174	1,300	240	41,780	3,783
2032-2036	14,845	6,308	-	-	652	53	795	52	-	-
2037-2041	14,820	1,781	-	-	-	-	-	-	-	-
Total	**$ 146,805**	**$ 43,502**	**$ 24,340**	**$ 2,445**	**$ 1,800**	**$ 502**	**$ 3,230**	**$ 701**	**$ 98,338**	**$ 20,382**

Debt service for DURA's note, payable to the City, is dependent on the availability of tax increment financing (TIF) revenue. Due to the uncertainty of this revenue the payments cannot be estimated. Payments will be made quarterly on the 10th of January, April, July and October, and will consist of the entirety of DURA's receipt of TIF revenues. The note is to be paid over a 25-year period, with interest accruing at a rate of 2.00% per annum. The maturity date is May 11, 2037.

4. **Indentures and Reporting Requirements.** The City is subject to a number of limitations and restrictions contained in various indentures. Such limitations and covenants include: continued collection of pledged revenues, segregation of pledged revenues, and maintenance of specified levels of bond reserve funds, permissible investment of bond proceeds and pledged revenues, and ongoing disclosure to the secondary bond market in accordance with the Securities and Exchange Commission's Rule 15c2-12. The City is in compliance with all significant covenants.

5. **Changes in Long-term Liabilities.** Long-term liability activity for the year ended December 31, 2021, is shown in **Tables 35** and **36** (dollars in thousands).

Table 35

Governmental Activities	**January 1**	**Additions**	**Deletions**	**December 31**	**Due within one year**
Legal liability	$ 43,865	$ 148,835	$ 1,200	$ 191,500	$ -
Compensated absences:					
Classified service employees - 3,126	114,663	28,242	45,046	97,859	4,435
Career Service employees - 7,626	65,241	50,032	52,380	62,893	5,425
Net pension liability	1,436,548	211,136	132,495	1,515,189	-
Net OPEB liability	90,200	6,945	5,307	91,838	-
OPEB implicit rate subsidy liability	130,673	7,245	7,629	130,289	7,629
Claims payable	38,436	68,779	71,405	35,810	10,023
General obligation bonds[1]	778,162	1,564	90,360	689,366	68,722
General obligation bonds - direct placements	76,250	-	14,550	61,700	14,890
GID revenue notes	5,330	-	299	5,031	296
Excise tax revenue bonds[2]	598,292	277,889	14,260	861,921	15,910
Capitalized lease obligations and COPs	341,635	-	20,170	321,465	20,155
Capitalized lease obligations and COPs - direct placements	71,993	14,855	9,159	77,688	12,541
Unamortized premium	181,060	52,197	23,426	209,831	-
Total Governmental Activities	**$ 3,972,348**	**$ 867,719**	**$ 487,686**	**$ 4,352,380**	**$ 160,026**

(1) Ending balance includes compound interest from the 2007 and 2014A mini-bonds of $13,606.

(2) Ending balance includes compound interest of $12,921.

Table 36

	January 1	Additions	Deletions	December 31	Due within one year
Business-type Activities					
Wastewater Management:					
Revenue bonds - direct placement	$ 228,490	$ -	$ 7,735	$ 220,755	$ 8,085
Unamortized premium	20,429	-	933	19,496	-
Net pension liability	46,541	2,517	3,421	45,637	-
Net OPEB liability	3,156		306	2,850	-
OPEB implicit rate subsidy liability	2,166	1,335	240	3,261	240
Capitalized lease obligations	3,580	-	815	2,765	874
Compensated absences	4,331	34	-	4,365	782
Total Wastewater Management	**308,693**	**3,886**	**13,450**	**299,129**	**9,981**
Denver Airport System:					
Legal liability	74,513	5,961	-	80,474	-
Senior lien revenue bonds	1,824,230	-	128,865	1,695,365	104,170
Subordinate lien revenue bonds	3,176,130	-	20,150	3,155,980	36,220
Senior lien revenue bonds - direct placement	262,155	-	35,000	227,155	30,800
Subordinate lien revenue bonds - direct placement	250,925	726,220	46,995	930,150	754,280
Economic defeasance	40,080	-	40,080	-	-
Unamortized premium	376,825	-	41,277	335,548	-
Revenue credit payable	29,439	10,561	-	40,000	40,000
Net pension liability	199,878	1,677	13,779	187,776	-
Net OPEB liability	13,555	-	1,830	11,725	-
OPEB implicit rate subsidy liability	8,061	4,549	865	11,745	865
Notes payable	2,235	-	2,235	-	-
Compensated absences	12,097	7,498	7,723	11,872	2,255
Total Denver Airport System	**6,270,123**	**756,466**	**338,799**	**6,687,790**	**968,590**
Nonmajor enterprise funds:					
Net pension liability	16,992	-	1,108	15,884	-
Net OPEB liability	1,088	-	157	931	-
OPEB implicit rate subsidy liability	781	497	88	1,190	88
Capitalized lease obligations	3,133	-	1,015	2,118	1,045
Compensated absences	1,514	375	479	1,410	514
Total nonmajor enterprise funds	**23,508**	**872**	**2,847**	**21,533**	**1,647**
Total Business-type Activities	**$ 6,602,324**	**$ 761,224**	**$ 355,096**	**$ 7,008,452**	**$ 980,218**
Major Component Units:					
Revenue bonds[(1)]	293,303	-	5,133	288,170	8,670
Increment bonds and notes payable[(2)]	226,834	680	39,187	188,327	25,495
Increment bonds - direct placements	127,798	-	29,460	98,338	10,248
Grants payable	4,611	17,729	2,974	19,366	12,683
Total Major Component Units	**$ 652,546**	**$ 18,409**	**$ 76,754**	**$ 594,201**	**$ 57,096**

(1) Includes unamortized premium of $24,035.

(2) Includes unamortized premium of $12,750 and unamortized discount of $394.

The legal liability, compensated absences, net other post-employment benefit (OPEB) liability and other accrued liabilities in the governmental activities are generally liquidated by the General Fund. The other governmental funds include a note payable liquidated by the Community Development special revenue fund and a claims payable liquidated by the Employee Insurance Benefits internal service fund. The amount available for long-term debt in the debt service funds and in the special revenue fund was $203,191,000.

6. **Swap Agreements - Direct Placements.** Included in the City's governmental activities are three derivatives that are embedded in the City's certificated lease for the Webb Municipal Office Building. The intent of the three pay-fixed, receive-variable interest rate swaps is to protect against rising interest rates on the variable rate 2008A Certificates of Participation (COPs). In 2003, Civic Center Office Building, Inc., the lessor, entered into two swap agreements with JP Morgan, associated with the 2003C1 and 2003C2 COPs, and one swap agreement

with Lehman Brothers that was associated with the 2003C3 COPs. In October 2008, due to the deteriorating credit rating of the insurer (AMBAC), the outstanding COPs were refunded by the Series 2008A1-A3 Refunding Certificates of Participation, terminating the three swaps. To maintain the interest rate hedge related to the lease payments, the derivative instruments with JP Morgan were amended and new swaps were entered into that were associated with the 2008A1 and 2008A2 COPs. The derivative instrument with Lehman Brothers was terminated and replaced with an agreement with Royal Bank of Canada (RBC). A new swap was initiated under the RBC agreement that was associated with the 2008A3 COPs. At the time of termination of the 2003 swaps, the JP Morgan swaps had negative fair values, and no termination payments were made. In addition to a termination payment made to Lehman Brothers by the City, an up-front payment of $475,000 was received from RBC at the initiation of the 2008 replacement swap. These events resulted in off-market components of the swaps that are being treated as implied loans for accounting purposes and are being amortized through investment revenues over the life of the new hedges.

The City's swap agreements contain terms regarding significant Events of Default with finance-related consequences that are classified as (1) failure to pay or deliver, (2) breach of agreement, (3) credit support default, (4) misrepresentation, (5) default under specified transactions, (6) cross default, (7) bankruptcy, (and 8) merger without assumption. The results from an Event of Default include:

- First Method and Market Quotation. If the First Method and Market Quotation apply, the Defaulting P arty will pay to the Non-defaulting Party the excess, if a positive number, of (A) the sum of the Settlement Amount (determined by the Non-defaulting Party) in respect of the Terminated Transactions and the Unpaid Amounts owing to the Non-defaulting Party over (B) the Unpaid Amounts owing to the Defaulting Party.

- First Method and Loss. If the First Method and Loss apply, the Defaulting Party will pay to the Non-defaulting Party, if a positive number, the Non-defaulting Party's Loss in respect of this Agreement.

- Second Method and Market Quotation. If the Second Method and Market Quotation apply, an amount will be payable equal to (A) the sum of the Settlement Amount (determined by the Non-defaulting Party) in respect of the Terminated Transactions and the Unpaid Amounts owing to the Non-defaulting Party less (B) the Unpaid Amounts owing to the Defaulting Party. If that amount is a positive number, the Defaulting Party will pay it to the Non-defaulting Party; if it is a negative number, the Non-defaulting Party will pay the absolute value of that amount to the Defaulting Party.

- Second Method and Loss. If the Second Method and Loss apply, an amount will be payable equal to the Non-defaulting Party's Loss in respect of this Agreement. If that amount is a positive number, the Defaulting Party will pay it to the Non-defaulting Party; if it is a negative number, the Non-defaulting Party will pay the absolute value of that amount to the Defaulting Party.

The City's swap agreements contain terms regarding significant Termination Events with finance-related consequences that are classified as (1) illegality, (2) credit event upon merger, and (3) any additional termination events specified in the schedule or any confirmation as applying. The results from a Termination Event include:

- One Affected Party. If there is one Affected Party, the amount payable will be determined in accordance with Section 6(e)(i)(3), if Market Quotation applies, or Section 6(e)(i)(4), if Loss applies, except that, in either case, references to the Defaulting Party· and. to the Non-defaulting Party will be deemed to be references to the Affected Party and the party which is not the Affected Party, respectively, and, if Loss applies and fewer than all the Transactions are being terminated, Loss shall be calculated in respect of all Terminated Transactions.

- Two Affected Parties. If there are two Affected Parties:
  - if Market Quotation applies, each party will determine a Settlement Amount in respect of the Terminated Transactions, and an amount will be payable equal to (I} the sum of (a) one-half of the difference between the Settlement Amount of the party with. the higher Settlement Amount ("X") and the Settlement

Amount of the party with the lower Settlement Amount ("Y") and (b) the Unpaid·Amounts owing to X less (II) the Unpaid Amounts.

– if Loss applies, each party will determine its Loss in respect of this Agreement (or, if fewer than all the Transactions are being terminated, in respect of all Terminated Transactions) and an amount will be payable equal to one-half of the difference between the Loss of the party with the higher Loss ("X") and the Loss of the party with the lower Loss ("Y").

There are certain events which could result in a higher interest rate and/or acceleration of amounts due on the City's various Swaps. These events are described in the ISDA Master Agreement filed on the Municipal Securities Rulemaking Board's ("MSRB") Electronic Municipal Market Access ("EMMA") site:

- JPMC (2008A1) https://emma.msrb.org/MS275384-MS273078-MD554070.pdf
- JPMC (2008A2) https://emma.msrb.org/MS275384-MS273078-MD554070.pdf
- RBC (2008A3) https://emma.msrb.org/MS275384-MS273078-MD554070.pdf

As of December 31, 2021, all three swaps are effective cash flow hedges and the fair values and changes in fair values are reported in the government-wide Statement of Net Position as deferred outflows of governmental activities. The fair market value of the three swaps as of December 31, 2021 was $(23,974,000). The year-end fair values were calculated using the mid-market LIBOR swap curves as of December 31, 2021. The fair values represent the difference between the present value of the fixed payments and the present value of the floating payments, at forward floating rates as of December 31, 2021. When the present value of payments to be made by the City exceeds the present value of payments to be received, the swap has a negative value to the City. When the present value of payments to be received by the City exceeds that of payments to be made, the swap has a positive value to the City.

Table 37 provides the swap associated debt rates as of December 31, 2021

Table 37

Swap	**2008A1**	**2008A2**	**2008A3**
Associated debt	**2008A1 COP**	**2008A2 COP**	**2008A3 COP**
Fixed payment to counterparty	3.400%	3.400%	3.130%
Variable payment from counterparty (68% LIBOR)	(0.695%)	(0.695%)	(0.695%)
Net swap interest rate	2.705%	2.705%	2.435%
Variable-rate certificate coupon payment	1.000%	1.000%	1.000%
Net swap and certificate rate	**3.705%**	**3.705%**	**3.435%**

As rates vary, lease interest payments and net swap payments will vary. As of December 31, 2021, lease payment requirements of the related variable rate COPs and the net swap payments, assuming current rates remain the same, for their terms, are summarized in **Table 38** (dollars in thousands).

Table 38

Year	**Principal**	**Interest**	**Interest Rate Swaps Net**
2022	$ 11,735	$ 1,711	$ 6,117
2023	12,460	1,593	5,687
2024	13,225	1,469	5,232
2025	14,035	1,337	4,749
2026-2031	119,625	4,802	21,572
Total	**$ 171,080**	**$ 10,912**	**$ 43,357**

Table 39 (dollars in thousands) provides the fair values and the 2021 changes in fair value of the on- market and the implied loan portions of the swaps as of December 31, 2021, and the accounting classifications of the changes in fair value for the year then ended.”

Table 39

Counterparty	Effective Date	Notional Amount	Termination Date	Associated Debt Series	Fair Values 12/31/21	Change in Fair Value		Classification
2008A1 Swap Agreements								
JP Morgan Chase Bank	7/17/03	$ 48,260	12/1/29	2008A1 COP	$ (5,509)	$ (2,743)		Deferred outflow
							$ (197)	Investment revenue
2008A2 Swap Agreements								
JP Morgan Chase Bank	7/17/03	40,680	12/1/29	2008A2 COP	(4,644)	(2,312)		Deferred outflow
							(166)	Investment revenue
2008A3 Swap Agreements								
Royal Bank of Canada	10/1/08	82,140	12/1/31	2008A3 COP	(13,821)	(5,057)		Deferred outflow
							(23)	Investment revenue
Total		**$171,080**			**$ (23,974)**	**$ (10,112)**	**$ (386)**	

Note: Certain City derivatives have been reported as investment derivatives in accordance with the provisions of GASB 53. Additionally, investment income on these derivatives has been recognized in accordance with GASB 53. The City does not enter into derivative transactions for investment purposes, nor does the City Charter allow for the investment in derivatives investments.

The risk involved in the three swaps flows through the lease from Civic Center Office Building, Inc. (the “lessor”) to the City. The following risks are generally associated with swap agreements:

- **Credit risk** – All of the governmental activity swaps rely on the performance of the respective swap counterparties. The City is exposed to the risk of these counterparties being unable to fulfill their financial obligations to the lessor. The City measures the extent of the risk based on the credit ratings of each counterparty and the fair value of the swap agreement. As of December 31, 2021, there was no risk of loss to the City, as the swap agreements had negative fair values. The credit ratings of the counterparties as of December 31, 2021, are shown in **Table 40.**

Table 40

Counterparty (Credit Support Provider)	Ratings of the Counterparty or its Credit Support Provider		
	S&P	Moody’s	Fitch
JP Morgan Chase Bank	A+	Aa2	AA
Royal Bank of Canada	AA-	Aa2+	AA-

- **Termination risk** – Any party to these swap agreements may terminate the swap if the other party fails to perform under the terms of the contract. Additionally, the lessor may terminate any of the swap agreements at any time at its sole discretion. If the swap had a negative fair value at the time of termination the City could be liable to the counterparty for a termination payment equal to the fair market value of the swap. If any of the swaps were terminated, the associated variable rate certificates would no longer have the benefit of the interest rate hedge.
- **Interest rate risk** – The City is exposed to interest rate risk on the swaps. In regard to the pay fixed, receive variable swaps, as the London Interbank Offered Rate (LIBOR) index rate decreases, the City’s net payments on the swaps increase.
- **Basis risk** – The City pays interest at variable rates on the COPs associated with the swaps. Each of the swap agreements provide for the applicable counterparty to make variable rate payments based on the LIBOR index. To the extent that the variable rate paid on the certificates is different than the rate received from the counterparties based on LIBOR, there may be a net loss or benefit to the City.

The Airport has entered into interest rate swap agreements in order to protect against rising interest rates. The 1999 and 2009A swap agreements all pay fixed–receive variable rate cash flow hedges, with the variable payment from the counterparty based on the USD-SIFMA Municipal Swap Index and the variable rate of the bonds. The rest of the Airport's swap agreements are considered investment derivatives in accordance with the provisions of GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments (GASB 53). Additionally, investment income on these derivatives has also been recognized in accordance with GASB 53. The City does not enter into derivative transactions for investment purposes, nor does the City Charter allow for the investment in derivative investments.

On April 19, 2021, the Airport issued a Notice of Full Prior Redemption of the Airport System Revenue Bonds, Series 1992C. On May 20, 2021, the Airport fully redeemed all the outstanding principal amount of $40,100,000, plus accrued interest.

On December 17, 2021, the Airport issued private activity Airport System Subordinate Revenue Bonds, Series 2021C (Series 2021C Bonds) and issued a Note Purchase Agreement (2021 Interim Note) in the amounts of $26,220,000 and $700,000,000, respectively.

Table 41 provides a profile of the terms of the Airport's swap agreements (all rates as of December 31, 2021).

Table 41

SWAP	**1999, 2009A**	**2005, 2006B**	**2006A, 2008B**
Associated Debt	**2009C**	**2016A**	**2007G1-G2**
Payment to counterparty	5.603%	3.787%	4.009%
Payment from counterparty	0.100%	4.156%	0.071%
Net swap interest rate	5.503%	(0.369%)	3.938%
Associated bond interest rate	0.470%	5.000%	0.971%
Net swap and bond rate	**5.973%**	**4.631%**	**4.909%**

As rates vary, variable rate bond interest payments and net swap payments will vary. As of December 31, 2021, debt service requirements of the related variable rate debt and net swap payments for the Airport System's cash flow hedges (1998, 1999 and 2009A swap agreements), assuming current interest rates remain the same, for their terms, are reflected in **Table 42** (dollars in thousands).

Table 42

Year	**Principal**	**Interest**	**Interest Rate Swaps Net**	**Total**
2022	$ 11,200	$ 154	$ 1,807	$ 13,161
2023	-	102	-	102
2024	-	102	-	102
2025	-	102	-	102
2026	3,395	102	-	3,497
2027-2031	18,245	261	-	18,506
Total	**$ 32,840**	**$ 823**	**$ 1,807**	**$ 35,470**

Variable Rate Bonds and Swap payments are calculated using rates in effect on December 31, 2021

Table 43 (dollars in thousands) provides a summary of the Airport's interest rate swap transactions as of December 31, 2021.

Table 43

Counterparty	Effective Date	Notional Amount	Bond/Swap Termination Date	Associated Debt Series	Payable Swap	Variable Receivable Swap Rate	Changes in Fair Value: Classification	Changes in Fair Value: Amount	Fair Values December 31
Hedging Derivatives									
1999 Swap Agreements									
Goldman Sachs Capital Markets, L.P.	10/4/01	16,000	11/1/22	(1)	5.6179%	SIFMA	Deferred outflow	(1,058)	(760)
							Investment income	(1,124)	-
Merrill Lynch Capital Services, Inc.	10/4/01	8,000	11/1/22	(1)	5.5529%	SIFMA	Deferred outflow	(529)	(376)
							Investment income	(549)	-
Investment Derivatives									
2005 Swap Agreements									
JP Morgan Chase Bank, N.A.		35,000	11/15/25	2016A(3)	3.6874%	70% LIBOR	Investment income	(1,739)	(2,616)
2006A Swap Agreements									
GKB Financial Services Corp.		24,000	11/15/25	2007F-G/ 2014A(2)	4.0085%	70% LIBOR	Investment income	(1,370)	(1,922)
2006B Swap Agreements									
JP Morgan Chase Bank, N.A.		35,000	11/15/25	2016A	SIFMA	4.0855%	Investment income	1,857	2,916
2008A Swap Agreements									
Royal Bank of Canada		48,000	11/15/25	2007F-G/2016B(2)	4.0085%	70% LIBOR	Investment income	(2,740)	(3,843)
2009A Swap Agreements									
Loop Financial Products I, LLC	1/12/10	8,000	11/1/22	(1)	5.6229%	SIFMA	Deferred outflow	(667)	(385)
							Investment income	(435)	-
Total									**$ (6,986)**

(1) Swaps associated with Series 2009C, 2008B and a portion of the 2002C Bonds.

(2) A portion of the Series 2002C bonds are additionally associated with these swaps.

(3) Previously associated with 2007D and 2017A.

Note: Certain City derivatives have been reported as investment derivatives in accordance with the provisions of GASB 53. Additionally, investment income on these derivatives has also been recognize in accordance with GASB 53. The City does not enter into derivative transactions for investment purposes, nor does the City Charter allow for the investment in derivative investments.

Payments by the Airport System to counterparties relating to these swap agreements, including termination payments, are Subordinate Obligations, subordinate to debt service payments on the Airport System's Senior Bonds, and on parity with the Airport System's Subordinate Bonds. The year- end fair values were calculated using the mid-market LIBOR and BMA swap curves as of December 31, 2021. Fair values represent the difference between the present value of the fixed payments and the present value of the floating payments, at forward floating rates as of December 31, 2021. When the present value of payments to be made by the Airport System exceeds the present value of payments to be received, the swap has a negative value to the Airport System. When the present value of payments to be received by the Airport System exceeds that of payments to be made, the swap has a positive value to the Airport System.

The following risks are generally associated with swap agreements:

Credit Risk – All of the Airport System's swap agreements rely upon the performance of swap counterparties. The Airport System is exposed to the risk of these counterparties being unable to fulfill their financial obligations to the Airport System. The Airport System measures the extent of this risk based upon the credit ratings of the counterparty and the fair value of the swap agreement. If the Airport System delivers a surety policy or other credit support document guaranteeing its obligations under the swap agreement that is rated in the highest rating category of either Standard & Poor's, Moody's Investors Service or Fitch, for any swap agreement, the counterparty to that agreement is obligated to either be rated, or provide credit support securing its obligations under the swap agreement rated in the highest rating category of either Standard & Poor's, Moody's Investors Service or Fitch; or, under certain circumstances, provide collateral. The Airport System is obligated, under the swap agreements, to provide such surety policy or credit support if the unsecured and unenhanced ratings of the Airport System's Senior Bonds is below any two of BBB by Standard & Poor's, Baa2 by Moody's Investors Service or BBB by Fitch. As of December 31, 2021, the ratings of the Airport System's Senior Bonds were AA- by Standard & Poor's (with a stable outlook), Aa2 by Moody's Investors Service (with a stable outlook) and AA by Fitch (with a stable outlook). Therefore, no surety policy or credit has been provided to the counterparties by the Airport System. Failure of either the Airport System or the counterparty to provide credit support or collateral, as described in the swap agreements, is a termination event under the swap agreements (see Termination Risk below). The ratings of the counterparties, or their credit support providers, as of December 31, 2021, are shown in **Table 44**.

Table 44

Counterparty (Credit Support Provider)	Ratings of the Counterparty or its Credit Support Provider		
	S&P	Moody's	Fitch
Goldman Sachs Capital Markets, L.P. (Goldman Sachs Group, Inc.)	BBB+	A2	A
JP Morgan Chase Bank, N.A.	A+	Aa2	AA
LOOP Financial Products, LLC (Deutsche Bank, AG, New York Branch)	A-	A2	A-
Merrill Lynch Capital Services, Inc.(Merrill Lynch & Co., Inc.)	A-	A2	AA-
Royal Bank of Canada	AA-	Aa2	AA-
GKB Financial Services Corporation II, Inc.(Societe Generale New York Branch)	A	A1	A

NR - no rating available

As of December 31, 2021, there was no risk of loss for the swap agreements that had negative fair values. For the swap agreements that had positive fair values, the risk of loss is the amount of the derivative's fair value.

- **Termination Risk** – Any party to the Airport System's swap agreements may terminate the swap if the other party fails to perform under the terms of the contract. Additionally, the Airport System may terminate any of its swap agreements at any time at its sole discretion. Further, certain credit events can lead to a termination event under the swap agreements (see Credit Risk on preceding page). If, at the time of termination, the swap has a negative fair value, the Airport System could be liable to the counterparty for a payment equal to the swap's fair value. If any of the Airport System's swap agreements are terminated, the associated variable rate bonds would either no longer be hedged with a synthetic fixed interest rate or the nature of the basis risk associated with the swap agreement may change. The Airport System is not aware of any existing event that would lead to a termination event with respect to any of its swap agreements.
- **Interest Rate Risk** – The Airport System is exposed to interest rate risk in that as the variable rates of the swap agreements decrease, the Airport System's net payments on the swap agreements increase.
- **Basis Risk** – Each of the Airport System's swap agreements is associated with certain debt obligations or other swaps. The Airport System pays interest at variable interest rates on some of the associated debt obligations and associated swaps. The Airport System receives variable payments under some of its swap agreements. To the extent the variable rate on the associated debt or the associated swap paid by the Airport System is based on an index different than that used to determine the variable payments received by the Airport System under the swap agreement, there may be an increase or decrease in the synthetic interest rate intended under the swap agreement.

Note H – Fund Balances

In accordance with GASB Statement No. 54, fund balances are classified as nonspendable, restricted, committed, assigned or unassigned. When expenditures are incurred that use funds from more than one classification, the City will generally determine the order in which the funds are used on a case-by-case basis, taking into account any applicable requirements of grant agreements, contracts, business circumstances, or other constraints. If no restrictions otherwise exist, the order of spending of resources will be restricted, committed, assigned and lastly, unassigned.

The City has a target of maintaining a General Fund balance reserve that is 15.00% of budgeted expenditures and should not go below 10.00% of budgeted expenditures, except in response to a severe crisis, economic or otherwise.

Fund balances by classification are detailed in **Table 45** (dollars in thousands).

- **Nonspendable Fund Balances** – Nonspendable fund balances are amounts that cannot be spent because they are either not in a spendable form or are legally or contractually required to be maintained intact.

  The City has two types of nonspendable fund balances: Prepaid items and an endowment. The prepaid items, which total $17,738,000 are in a nonspendable form and the endowment totaling $3,000,000 is in a permanent fund whose earnings are used for the maintenance of the residence known as Cableland.

- **Restricted Fund Balances** – Restricted fund balances represent amounts constrained by external parties, enabling legislation and/or constitutional provisions.
- **Committed Fund Balances** – Committed funds can only be used for specific purposes pursuant to constraints imposed by City Council, the highest level of decision-making authority in the City. City Council's formal action to establish committed funds, and to rescind committed funds, is through passage of ordinance.
- **Assigned Fund Balances** – Assigned fund balances are constrained for specific purposes by City Council as authorized by the City's charter.
- **Unassigned Fund Balance** – Unassigned fund balance is the residual classification for the General Fund. A negative unassigned fund balance occurs when expenditures exceed amounts that are nonspendable, restricted, committed, or assigned.

Table 45

	General	Bond Projects	Human Services	Other Governmental Funds	Total Governmental Funds
Fund Balances					
Nonspendable:					
Endowment	$ -	$ -	$ -	$ 3,000	$ 3,000
Prepaid items	14,231	-	67	3,440	17,738
Total Nonspendable	**14,231**	**-**	**67**	**6,440**	**20,738**
Restricted:					
General government	-	2,376	-	185,110	187,486
Public safety - admin	-	-	-	19,025	19,025
Public safety - fire	-	-	-	2,509	2,509
Public safety - police	-	-	-	6,566	6,566
Public safety - sheriff	-	-	-	3,118	3,118
Public works	-	650,609	-	325,641	976,250
Human services	-	-	100,700	316	101,016
Health	-	-	-	33,304	33,304
Parks & recreation	-	-	-	113,543	113,543
Cultural activities	-	9,196	-	54,191	63,387
Community development	-	-	-	124,162	124,162
Economic opportunity	-	-	-	507	507
Loans receivable	-	-	-	83,642	83,642
Long-term debt	20,351	-	-	276,259	296,610
Emergency use	60,811	-	-	398	61,209
Total Restricted	**81,161**	**662,181**	**100,700**	**1,228,292**	**2,072,334**
Committed:					
General government	29,132	-	-	2,718	31,850
Public safety - admin	4,854	-	-	-	4,854
Public safety - fire	392	-	-	-	392
Public safety - police	1,595	-	-	-	1,595
Public safety - sheriff	2,256	-	-	-	2,256
Public works	12,002	-	-	-	12,002
Health	13,491	-	-	-	13,491
Parks & recreation	4,413	-	-	4,701	9,114
Cultural Activities	325	-	-	11,046	11,371
Community development	6,784	-	-	-	6,784
Economic opportunity	1,228	-	-	-	1,228
Total Committed	**76,472**	**-**	**-**	**18,465**	**94,937**
Assigned:					
General government	-	-	-	1,538	1,538
Total Assigned	**-**	**-**	**-**	**1,538**	**1,538**
Unassigned	**268,573**	**-**	**-**	**(12,348)**	**256,225**
Total Fund Balances	**$ 440,437**	**$ 662,181**	**$ 100,767**	**$ 1,242,387**	**$ 2,445,772**

IV. Other Note Disclosures

Note A – Risk Management

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. In addition, the City is party to numerous pending or threatened lawsuits under which it may be required to pay certain amounts upon final disposition of these matters. The City has historically retained these risks, except where it has determined that commercial insurance is more cost beneficial or legally required. The City has covered all claim settlements and judgments out of its General Fund resources, except where specifically identifiable to an enterprise fund. The City currently reports substantially all of its risk management activities, except employee insurance benefits (see **Note IV-C**), in its General Fund. Claims expenditures and liabilities are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. Current liabilities are reported when the liability has matured. These losses include an estimate of claims that have been incurred but not reported.

The Lowry Landfill, which accepted hazardous waste from the late 1960s to 1980, is listed on the national Superfund list. This means that the contamination at the site will be mitigated under the auspices of the U.S. Environmental Protection Agency. Under federal law, the City, as owner and operator of the facility is one of the parties responsible for cleanup of the site. The City's share of the remaining costs for cleanup could be incurred over the next 5 to 30 years. The City's liability for a portion of the cleanup costs is probable but cannot be reasonably estimated.

With respect to matters expecting to be settled subsequent to 2021, the City Attorney estimates the amount of liability determined as probable and incurred but not reported claims and judgments at December 31, 2021, to be approximately $191,500,000. The City Attorney also estimates that pending cases having a reasonably possible likelihood of resulting in an additional liability aggregating approximately $19,500,000 at December 31, 2021.

Changes in the long-term legal liability during the past two years are shown in **Table 46** (dollars in thousands).

Table 46

	2021	2020
Beginning balance - January 1	$ 43,865	$ 11,000
Current year claims and changes in estimates	148,835	32,865
Claims settled	(1,200)	-
Ending balance - December 31	**$ 191,500**	**$ 43,865**

Pursuant to Colorado law, if a monetary judgment is rendered against the City, and the City fails to provide for the payment of such judgment, the Board of County Commissioners must levy a tax (not to exceed 10 mills per annum) upon all of the taxable property within the City for the purpose of making provision for the payment of the judgment. The City must continue to levy such tax until the judgment is discharged. Such mill levy is in addition to all other mill levies for other purposes. The Colorado Governmental Immunity Act establishes limits for claims made against governmental entities. These limits are $387,000 per injury or $1,093,000 per occurrence. **See Note IV-D-5** regarding Denver Airport System related litigation.

Note B – Pollution Remediation

The City had four underground storage tanks that leaked and were under remediation. Funds spent on remediation were partially reimbursed up to 50.00% of the cost by the Colorado Petroleum Storage Tank Trust. As of December 31, 2021, the underground storage tanks were fully remediated, and no additional costs are anticipated to incur.

The Environmental Protection Agency has listed a large area in north Denver on the National Priorities List of Superfund Sites because of lead, arsenic and cadmium contamination found in soils in residential neighborhoods. EPA has divided the Site into three operable units. Operable Unit 1 (OU1) consists of the contaminated residential soils in north Denver. Operable Unit 2 (OU2) is the Grant-Omaha Smelter Site. Operable Unit 3 (OU3) is the Argo Smelter Site.

ASARCO, Inc. finished the remediation of Operable Unit 1 in 2006 and has not claimed that the City is responsible for any of those costs; therefore, management believes the possibility that the City has any liability associated with OU1 is remote.

The EPA has named the City a Potentially Responsible Party (PRP) at OU2 as the current owner of part of the site where the former Grant-Omaha Smelter was located. Denver has entered into an Administrative Order on Consent to perform a remedial investigation and feasibility study and has paid $18,000 of EPA's past costs. Whether this site is contaminated or whether it will require remediation cannot be determined until completion of the remedial investigation and feasibility study. The City's responsibility for some of the investigation and cleanup costs is probable; however, at this early stage in the process it is not possible to estimate the costs associated with this site, therefore no liability has been accrued. ASARCO, Inc. is another significant PRP at the site. ASARCO, Inc. filed bankruptcy and the City filed a contingent claim for environmental remediation costs and reached a settlement with ASARCO for $640,000 which payment has been received. The City has no connection to OU3 and EPA has not asserted that the City has any responsibility for investigation or clean up, therefore management believes the possibility is remote that the City has any liability associated with OU3.

Note C – Insurance

The City has a Workers' Compensation fund, that reports workers' compensation self-insurance activity, that was established in accordance with State Statutes to be held for the benefit of the City's employees. This fund is included in the Employee Insurance Benefits internal service fund. The Employee Insurance Benefits internal service fund compensates City employees, or their eligible dependents, for injuries as authorized by the State Workers' Compensation law, in addition to maintaining in-house records of claims. The Workers' Compensation program is part of the City's Risk Management Office, which also provides safety training and loss prevention for all City departments and agencies.

The Department of Labor and Employment of the State of Colorado establishes the amount of funding required each year for the City to maintain its self-insured permit. The requirement is calculated using the average amount of claims paid over the previous three years plus the outstanding liability for claims as of the end of the previous year. This requirement at December 31, 2021, for 2022, was $33,982,000. The Employee Insurance Benefits internal service fund has current assets and appropriations set aside in 2021 to satisfy this requirement. These funds may only be used for payment of employee insurance benefits and administrative costs.

The City has purchased reinsurance coverage in order to reduce its risk. For the period from January 1, 2021 through December 31, 2021, the self-retention amount was $2,500,000 for all employees. The City had no settlements in the past three years that exceeded its self-retention levels.

The City has opted to provide salary continuation for qualifying, full-time employees who are temporarily disabled for more than three scheduled workdays or shifts by a compensable work injury. The rates and duration of salary continuation vary depending on the collective bargaining agreement or CSA rules, which apply. For the first 90 days, City departments or agencies cover the cost of salary continuation. After 90 days, salary continuation is charged to the Employee Insurance Benefits Fund. As of December 31, 2021, the City paid $1,916,000 for salary continuation benefits.

The City began self-insuring for employee dental and medical benefits on January 1, 2005, and January 1, 2020, respectively. Premiums are paid into the Medical and Dental Self-Insurance Funds to pay claims, claim reserves, and administrative costs. All claims are reviewed and approved for payment by United Health Care for medical claims and Delta Dental of Colorado for dental claims in accordance with the administrative services agreement with the City. There is no annual exposure limit for participants of the Exclusive Provider Organization (EPO) plan. The annual exposure limit for the participants of the Preferred Provider Organization (PPO) High is $2,000/year. The annual exposure limit for participants of the preferred Provider Organization Low is $1,250/year.

Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated and includes an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, and other economic and social factors. The liability is reported in the Employee Insurance Benefits internal service fund and was discounted for investment income.

Changes in the insurance liabilities during the past two years are shown in **Table 47** (dollars in thousands).

Table 47

	2021	2020
Beginning balance, undiscounted - January 1	$ 38,436	$ 29,141
Current year claims and changes in estimates	80,334	78,576
Claims paid	(71,405)	(63,527)
Ending balance undiscounted	47,365	44,190
Less discount	(5,789)	(5,754)
Ending balance - December 31	**$ 41,576**	**$ 38,436**

Note D – Subsequent Events

1. **GO Bonds.** On May 5, 2022, the City issued non-direct placement General Obligation (GO) Bonds Series 2022A-C in the par amount of $366,390,000. The Series 2022A Bonds were tax exempt GO bonds in the par amount of $246,080,000, issued as part of the Elevate Denver GO bond authorization approved by Denver voters in November 2017. After the Series 2022A bond issuance, the Elevate Denver bond program has remaining authorization of $129,238,500. The Series 2022B Bonds were tax exempt GO bonds in the par amount of $81,710,000 and the Series 2022C Bonds were taxable GO bonds in the par amount of $38,600,000, both issued as part of the RISE GO bond authorization approved by Denver voters in November 2021. After the Series 2022B and 2022C bond issuance, the RISE Denver bond program has remaining authorization of $139,720,000.
2. **Capital Lease.** On May 24, 2022, the City entered into a direct placement capital lease agreement for $20,727,000 of principal and $1,749,000 of interest for a total lease purchase amount of $22,476,000, to be paid annually, subject to City Council appropriation, starting in 2023 through 2027.
3. **Amendment to Note Purchase Agreement**. On June 10, 2022, the City, for and on behalf of the Airport, executed a First Amendment to the Note Purchase Agreement (First Amendment) with Bank of America, N.A. The First Amendment extended the maturity date of the note from June 30, 2022 to August 31, 2022.

Note E – Contingencies

4. **Legal Debt Margin**. Per the City Charter, the City's indebtedness for general obligation bonds shall not exceed 3.00% of actual value as determined by the last final assessment of the taxable property within the City. At December 31, 2021, the City's general obligation debt outstanding was $751,066,000 and the City's legal debt margin was $5,216,871,000 or 2.71% of estimated actual valuation of taxable property.
5. **Prior Years' Defeased Bonds**. At various dates in prior years, the City and certain component units have placed proceeds from bond issues and cash contributions in irrevocable refunding escrow accounts. The amounts deposited in the irrevocable escrow accounts are invested in U.S. Treasury obligations that, together with interest earned thereon, would provide amounts sufficient for payment of all principal and interest of the bond issues on each remaining payment date. The likelihood of the earnings and principal maturities of the U.S. Treasury obligations not being sufficient to pay the defeased bond issues appears remote. Accordingly, the escrow accounts and outstanding defeased bonds are not included in the accompanying financial statements. Defeased bonds principal outstanding at December 31, 2021, for the Denver International Airport, was $396,700,000.
6. **Grants and Other**. Under the terms of federal and state grants, periodic audits are required, and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. City management believes disallowances, if any, will be immaterial to its financial position and activities.

   The City is responsible for administering certain federal and state social services programs for which the related revenue and expenditures are not included in the accompanying financial statements since the state now makes the grant disbursements.

   Table 48 (dollars in thousands) lists Denver County electronic benefit transfers (EBT) authorizations, warrant expenditures, and total expenditures associated with the Human Services special revenue fund for the year ended December 31, 2021.

Table 48

Program	City EBT Authorizations	City Share of Authorizations	Expenditures by City Warrant	City Share of Authorizations Plus Expenditures by City Warrant	Total Expenditures
Adult Protective Service	$ -	$ -	$ 3,334	$ 3,334	$ 3,334
Aid to Needy & Disabled	1,462	292	-	292	1,462
Child Care	26,189	2,477	1,559	4,036	27,748
Child Support Enforcement[2]	176	122	12,669	12,791	12,845
Child Welfare	11,501	2,470	34,803	37,273	46,304
Child Welfare Discretionary Grants	41	24	1,172	1,196	1,213
Child Welfare Staffing SB15-242	-	-	4,735	4,735	4,735
Child Welfare Subadopt & Relative Guardianship	7,984	865	-	865	7,984
Colorado Works Admin[2]	-	-	7,970	7,970	7,970
Colorado Works Non-Admin	12,000	1,971	946	2,917	12,946
Core Services	3,847	663	4,231	4,894	8,078
County Administration - CDHS2	364	73	15,570	15,643	15,934
County Administration - HCPF Enhanced	-	-	11,996	11,996	11,996
County Administration - HCPF Regular[2]	97	19	5,151	5,170	5,248
County Initiative TANF	999	999	-	999	999
County Only Pass Thru	4,430	2,215	-	2,215	4,430
Federal Grants	-	-	1,975	1,975	1,975
Food Assistance Benefits & Collections	336,632	-	-	-	336,632
Food Assistance Job Search	20	10	1,027	1,037	1,047
Foster Care Adoption Recruitment	-	-	4	4	4
Home Care Allowance	694	35	-	35	694
Low Income Energy Assistance	5,313	-	33	33	5,346
Non-allocated Programs	2,320	123	656	779	2,976
Old Age Pension	12,759	-	1,247	1,247	14,006
SNAP Incentive Bonus			3	3	3
SSI-Home Care Allowance	997	50	-	50	997
TANF Collections-EBT	(704)	(141)	-	(141)	(704)
Title IV-B Sub Part 2 - PSSF	-	-	294	294	294
Title IV-E Independent Living	-	-	179	179	179
Total	**$ 427,121**	**$ 12,267**	**$ 109,554**	**$ 121,821**	**$ 536,675**

[1] Does not include audit adjustments, TANF Collections - IV-D Retained, Medicaid Collections, Federal and State Incentives, County Tax Base Relief and programs not settled in County Financial Management System (CFMS), with the exception of Federal grants, which are also captured in the financial statements. It also excludes County Wide Cost Allocation Pass Thru, as these amounts are not earned by expenses incurred by Human Services.

[2] The State pays Direct Settled items for EBT Administration, The Work Number, IRS Fees and Locator fees and then charges the counties for those costs. These are not true EBT payments, but are amounts settled via CFMS.

7. **Conduit Debt Obligations.** From time to time, the City issues industrial development revenue bonds, single-family mortgage revenue bonds, multi-family mortgage revenue bonds, construction loan revenue bonds, and special obligation revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of private, industrial, and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Not the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2021, the aggregate principal amount payable for the bonds, excluding the Airport's Special Facility Revenue bonds, was approximately $71,747,365.

   To finance the acquisition and construction of various facilities at Denver International Airport, the City issued three series of Special Facility Revenue Bonds. These bonds are special limited obligations of the City, payable and secured by a pledge of certain revenues to be received from lease agreements for these facilities. The bonds do not constitute a debt or pledge of the full faith and credit of the City or the Airport System, and accordingly, have not been reported in the accompanying financial statements. As of December 31, 2021, Airport Special Facility Revenue Bonds outstanding totaled $250,575,000.

8. **Denver Airport System - Great Hall Developments.** Great Hall (an open area of approximately 1 million square feet located on Levels 5 and 6 of Jeppesen Terminal) designed to, among other things, enhance security of the passengers and the Airport, improve passenger flow and increase and improve concessions areas. The City, for and on behalf of the Airport, granted to Denver Great Hall LLC, a Delaware limited liability company (the "Great Hall Developer") an exclusive right to design, construct, finance, operate and maintain certain specified areas within Jeppesen Terminal, including the renovation and reconfiguration of a portion of the Great Hall (the "Great Hall Project"), pursuant to the Development Agreement dated August 24, 2017 (the "Great Hall Agreement") between the City, for and on behalf of the Airport, and the Great Hall Developer. On August 12, 2019, the City, for and on behalf of the Airport, exercised its right to terminate the Great Hall Agreement for convenience and then, termination became effective November 12, 2019. As a result of the termination, the City, for and on behalf of the Airport, owed a termination payment to the Great Hall Developer in an amount determined pursuant to the terms of the Great Hall Agreement. The termination payment consisted of several components: (1) a net lender liability payment reimbursing Great Hall Developers for costs of design, construction and management work completed through the Termination Date (paid partially from reserve funds available from the prior issuance of Revenue Bonds (Denver International Airport Great Hall Project) Series 2017 by the Public Finance Authority on behalf of Great Hall Developer); (2) an equity payment equal to the return that Great Hall Developer's equity members expected to receive on their investment in Great Hall Developer; (3) contractor breakage costs representing the costs incurred by Great Hall Developer and its contractors because of the termination of the Great Hall Agreement that would not have been incurred but for the termination of the Great Hall Agreement; (4) redundancy costs representing reimbursements to Great Hall Developer for costs incurred in terminating employees who would not continue with Great Hall Developer or an affiliate of Great Hall Developer after termination of the Great Hall Agreement; and (5) transition costs representing the amount spent by Great Hall Developer to wind down the work and transition the Great Hall Project to the City, for and on behalf of the Department.

   The City, for and on behalf of the Airport, entered into a Final Agreement Regarding Termination dated March 13, 2020 (the "Termination Agreement") with Great Hall Developer, Ferrovial Agroman West, LLC and Great Hall Builders, LLC ("Great Hall Builders") to settle all disputes among the parties to the Termination Agreement relating to the Great Hall Agreement, resolve certain relief event claims filed by Great Hall Developer on its own behalf and on behalf of Great Hall Builders under the Great Hall Agreement and settle the final amount of the total Termination Payment. As set forth in the Termination Agreement, the City, for and on behalf of the Airport, made a series of payments toward the final Termination in the amount of $183.7 million. Pursuant to the Termination Agreement, no other payments are due from the City, for and on behalf of the Airport, as a result of the termination of the Great Hall Agreement and all claims for payments against the City, for and on behalf of the Airport, have been dismissed. On March 17, 2020, the Airport made a final settlement payment relating to the Great Hall Project. On March 20, 2020, the City on behalf of the Airport filed a Voluntary Event Notice Relating to Great Hall Project Termination Payment. This disclosure is available at https://emma.msrb.org/ER1317070-ER1026269-ER1432758.pdf.

   On November 19, 2021, the City, for and on behalf of the Airport, issued a Voluntary Notice related to the Great Hall Project Status Update. This disclosure is available at https://emma.msrb.org/P21516492-P21172857-P21588899.pdf.

9. **Denver Airport System - Noise Litigation.** The City and Adams County entered into an intergovernmental agreement for Denver International, dated April 21, 1988 (the Intergovernmental Agreement). The Intergovernmental Agreement establishes maximum levels of noise that should not be exceeded on an average annual basis at various grid points surrounding the Airport. Penalties must be paid to Adams County when these maximums are exceeded.

   Currently, the Airport has not received any notices for penalties for 2021 and 2020. On August 27, 2020, the City received notices of violations for 2019. The Airport is reviewing these notices but has not made any determination of their validity. At December 31, 2021 and December 31, 2020, the Airport accrued, as part of the claim litigation reserve, the penalties along with estimated interest for 2017-2019 in the amount of $27.1 million and $23.0 million, respectively.

10. **Denver Airport System - Claims and Litigation.** City, related to the Airport, in the Jefferson County District Court of Colorado (the "Court"), which was amended on July 20, 2018 to include the City of Aurora and the City of Brighton as plaintiffs (as amended, the "Complaint"). The Complaint sought, among other things, a declaration from the Court that the City is in breach of the 1988 Adams County Intergovernmental Agreement (the "IGA") as a result of the City's continued use of noise modeling system known as ARTSMAP, which the plaintiffs alleged is not sufficient to measure compliance with certain noise standards (the "Noise Standards") agreed to under the IGA.

The Complaint also alleged between 93 and 108 Class II violations of Noise Standards in 2014 through 2016 that remained uncured in the succeeding calendar year and sought (i) a mandatory Court order requiring the City to implement reasonable, non-discriminatory rules and regulations concerning Airport operations to achieve and maintain compliance with the Noise Standards and (ii) if the Court does not make such order, an award of liquidated damages of $500,000 for each Class II violation that occurred during 2014, 2015 and 2016 that remained uncured in the succeeding calendar year. On June 19, 2020, the Court issued a ruling (the "Ruling") (i) finding, among other things, that the use of ARTSMAP system does not comply with the IGA and (ii) awarding plaintiffs liquidated damages in the amount of $500,000 for each of the 67 uncured Class II violations for 2014, 2015, and 2016 for a total amount of $33.5 million plus interest. On September 1, 2020, the Court ruled on the method of calculating interest for each violation.

On October 16, 2020, the City filed a notice of appeal with the Colorado Court of Appeals (the "Appellate Court") appealing the Ruling and on March 3, 2022, the Appellate Court issued a decision affirming the Appellate Court Ruling and the method of calculating interest. On April 12, 2022, the City filed a petition for certiorari with the Colorado State Supreme Court and asked the court to clarify certain rulings of the Appellate Court, including the method of calculating interest. For further discussion see note 24(b) to the DEN financial statements.

As of December 31, 2021 and 2020, the outstanding amount due to plaintiffs for 67 uncured Class II violations for 2014, 2015, and 2016, including interest, was $53.4 million and $49.4 million, respectively. To the extent the City ultimately is obligated to pay amounts ordered by the Court, or additional amounts claimed by Adams County for violations occurred in years 2017-2019 discussed in noted 14(c) to the DEN financial statements, the City currently expects to fund these payments from the Airport unrestricted Capital Fund.

11. **Denver Airport System - Federal Grants.** Under the terms of Federal grants, periodic audits are required, and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. The Airport System management believes disallowances, if any will be immaterial to its financial position and activities of the Airport.
12. **Environmental Services.** State and federal laws will require the City to close the Denver Arapahoe Disposal Site (DADS) once its capacity is reached and to monitor and maintain the site for 30 subsequent years. The contracted operator is responsible for all closure and post-closure costs for the landfill's individual cells while they are under contract to operate the landfill. However, the ultimate responsibility rests with the City as owner of the facility. The City contractually shifted this financial responsibility to its operator as described below.

    Effective October 1, 1997, the City renegotiated its contract with Waste Management of Colorado, Inc. (WMC), the current operator of DADS. As a result, the City assigned its responsibility for all closure and post-closure costs to WMC. To cover these costs, WMC has provided a performance bond of $3,000,000, provided a corporate guarantee from their parent company, Waste Management, Inc (WMI), and posted a financial assurance plan with the State of Colorado (including an insurance certificate of $27,004,000 as of April 2019). Due to this assignment of closure and post-closure costs to WMC, the City no longer recognizes the related closure and post-closure costs liability in its financial statements.
13. **Denver Urban Renewal Authority.** In connection with DURA's development of the Denver Dry Building, DURA has guaranteed certain loans made to the Denver Building Housing, Ltd. by the Bank of Denver with an outstanding balance of $2,184,000 at December 31, 2021. In addition, DURA has guaranteed all obligations of the Denver Dry Development Corporation as general partner, under the terms and conditions of the limited partnership agreement of the Denver Building Housing, Ltd. No amounts have been recorded as a liability in the financial statements, as DURA management believes the possibility of having to make payments under these guarantees is remote.
14. **TABOR.** At the general election held November 3, 1992, the voters of the State approved an amendment to the Colorado Constitution limiting the ability of the State and local governments, such as the City, to increase revenues, debt and spending, and restricting property, income, and other taxes. In addition, the amendment requires that the State and local governments obtain voter approval to create any multiple fiscal year direct or indirect debt or other financial obligation whatsoever without adequate present cash reserves pledged irrevocably and held for payments in all future fiscal years. The amendment excludes from its restrictions the borrowings and fiscal operations of enterprises. Enterprises are defined to include government-owned businesses authorized to issue their own revenue bonds and receiving less than 1.00% of their revenues in grants from all Colorado State and local governments combined. The amendment also requires the establishment of an Emergency Reserve equal to 3.00% of fiscal year spending excluding debt service for all years subsequent to 1994. The City has established an emergency reserve of $60,811,000. The amendment is also applicable to several component units, which have established emergency reserves of $16,748,000.

In November 2005, local voters approved Referred Measure 1B to allow the City to retain revenues collected, with the exception of property tax revenue, in excess of the limits established by the state amendment to the constitution for 10 fiscal years beginning with fiscal year 2005 and thereafter retain and spend any excess revenues up to the amount of the revenue cap as defined. For 2021, TABOR revenues exceeded the established limits by $405,856,000.

In November 2012, Denver voters approved Referred Measure 2A to allow the City to retain all revenues collected beginning in 2013.

There are numerous uncertainties about the interpretation of the amendment and its application to particular governmental entities and their operations. It is possible that the constitutionality of the amendment as applied in some situations may be challenged on various grounds, including the argument that the amendment conflicts with other constitutional provisions and violates the protections afforded by the federal constitution against impairment of contract.

15. **National Western Center.** The National Western Center redevelopment requires the acquisition of 10 residential parcels and 28 commercial parcels. The City negotiates a purchase price with property owners and reimburses property owners for the reasonable cost of obtaining their own appraisal.

Note F – Deferred Compensation Plan

1. **Description of the Plan.** The Deferred Compensation Plan (Plan) was adopted by the City to provide a means by which public employees could defer a portion of their current income and related income taxes to future years. Under Section 457 of the Internal Revenue Code, amounts deferred, and income earned on those funds are not taxed until made available to the participant. The Plan's publicly available financial report can be obtained by contacting the City of Denver Controller's Office at 201 West Colfax Avenue, Department 1109, Denver, Colorado, 80202.
2. **Administration of the Plan**. The Deferred Compensation Governing Committee of the City manages the Plan. The Committee has designated a third-party administrator for the Plan to account for all deferred compensation, withdrawals, interest income credited, and the individual balance for each participant. In addition, the administrators execute individual participant agreements and provide Plan information and counseling to all eligible employees.
3. **Investments.** Investments are recorded at fair value. In compliance with the City Charter, the Deferred Compensation Governing Committee has approved certain options for investment. All investments are transferred to a retirement trust investment fund offered by Nationwide Retirement Plans. The Plan provides for self-directed investments by the participants.
4. **Contributions.** Participation in the Plan is voluntary and is open to all City employees. The City does not make any contributions. The maximum deferral in any one year is generally limited to 100.00% of a participant's pre-deferred taxable income or $19,500 for 2021. Those who are age 50 and older may save an additional $6,500 per year. However, special provisions, applicable during the last three taxable years before a participant attains normal retirement age under the Plan, or any year thereafter prior to the participants' separation from service, may increase the annual maximum up to $39,000 for 2021. Total contributions by employees were $52,177,000 for 2021.
5. **Withdrawals.** Withdrawals from the Plan may be made upon retirement, termination of employment with the City, or in hardship cases as approved by the Administrator. Upon death, amounts credited to the participant are paid to the beneficiary designated by the participant.

   Eligible participants may elect the Systematic Withdrawal Option, purchase an annuity, or receive a lump-sum distribution. The Systematic Withdrawal Option allows eligible participants to withdraw specified amounts from their account at regular intervals. The balance of their account remains in the pool of Plan assets and continues to be invested as directed by the participant. The annuity option allows eligible participants to purchase a payment stream for a period certain or for the lifetime of the annuitant. Contracts purchased under this annuity option remain as assets of the Plan. The periodic distributions are accounted for as withdrawals in the year disbursed.

6. **Assets**. All amounts of compensation deferred under the Plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in trust by the City for the exclusive benefit of the participants and their beneficiaries. The assets of the Plan are reported as an other-employee benefit trust fund of the City.

7. **Plan Termination and Amendments**. The City can at any time elect to amend, modify, or terminate the Plan. However, notice must be given to all participants at least 45 days prior to the effective date of an amendment. No amendments will deprive the participants of any benefits they were entitled to prior to the change. If the Plan is terminated, all amounts then credited to the participants are to be paid out by the administrators under the normal withdrawal requirements and procedures.
8. **Component Units.** Several component units offer plans similar to the City's which are also qualified under Section 457 of the Internal Revenue Code.

Note G – Pension Plans

The City has six pension plans covering substantially all employees of the primary government, as follows:

- Denver Employees Retirement Plan (DERP)
- Fire and Police Pension Plan - Statewide Defined Benefit Plan (FPPA SWDB)
- Public Employees' Retirement Association of Colorado Pension Plan - State Division Trust Fund (PERA SDTF)
- Public Employees' Retirement Association of Colorado Pension Plan - Judicial Division Trust Fund (PERA JDTF)
- Denver Old Hire Fire Pension Fund (FPPA Old Hire Fire)
- Denver Old Hire Police Pension Fund (FPPA Old Hire Police)

The majority of the City's employees are covered under the Denver Employees Retirement Plan. Full time firemen and policemen are covered under the Fire and Police Pension Association plans, and county court judges and the District Attorney are covered under the Public Employees' Retirement Association of Colorado. In addition to the six plans offered, several component units offer various types of pension plans, which include deferred annuity plans and defined contribution plans.

A summary of pension related items as of and for the year ended December 31, 2021, are shown in **Table 49** (dollars in thousands).

Table 49

Plan	Net Pension Liability	Net Pension Asset	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense (Income)
DERP:					
Governmental Activities	$ 1,233,824	$ -	$ 195,418	$ 21,464	$ 171,621
Business-type Activities	249,297	-	42,943	23,787	29,494
FPPA SWDB	-	65,973	115,892	68,548	19,997
PERA SDTF	652	-	163	167	(219)
PERA JDTF	4,014	-	3,472	6,417	(868)
Old hire Fire	166,168	-	17,248	14,031	7,594
Old hire Police	110,531	-	10,686	25,000	1,626
Total	**$ 1,764,486**	**$ 65,973**	**$ 385,822**	**$ 159,414**	**$ 229,245**

1. **Cost Sharing Multiple-Employer Defined Benefit Pension Plans.**
   - The Denver Employees Retirement Plan (DERP)

     Plan Description. The Denver Employees Retirement Plan (DERP) administers a cost sharing multiple-employer defined benefit plan to eligible members. The DERP is administered by the DERP Retirement Board in accordance with sections 18-401 through 18-430.7 of the City's Revised Municipal Code. Amendments to the plan are made by ordinance. These Code sections establish the plan, provide complete information on the DERP, and vests the authority for the benefit and contribution provisions with the City Council. The DERP Retirement Board acts as the trustee of the Plan's assets.

     The Plan provides retirement, death and disability benefits for its members and their beneficiaries. Members who were hired before July 1, 2011 and retire at or after age 65 (or at age 55 if the sum of their age and credited service is at least 75) are entitled to an annual retirement benefit, in an amount equal to 2.00% of their final average salary for each year of credited service, payable monthly for life. Effective for employees hired after September 1, 2004, the formula multiplier was reduced to 1.50% final average salary is based on the member's highest salary during a period of 36 consecutive months of credited service. Members with five years of credited service may retire at or after age 55 and receive a reduced retirement benefit.

For members who were hired after July 1, 2011, they must be age 60 and have combined credited service of at least 85 to receive a normal retirement prior to age 65. Final average salary is based on the member's highest salary during a period of 60 consecutive months of credited service. Five- year vesting is required of all employees to qualify for a benefit, regardless of their age at the time of termination of employment.

Annual cost of living adjustment is granted on an ad hoc basis. The estimated cost of benefit and contribution provisions is determined annually by an independent actuary, recommended by the plan's Board, and enacted into ordinance by Denver City Council.

The Plan is accounted for using the economic resources measurement focus and the accrual basis of accounting. DERP issues a publicly available annual comprehensive financial report that can be obtained at https://www.derp.org.

Funding Policy. The City contributes 15.75% of covered payroll and employees make a pre-tax contribution of 9.25% in accordance with Section 18-407 of the Revised Municipal Code of the City. The City's contributions to DERP for the year ended December 31, 2021, were $102,296,000, which equaled the required contributions.

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. At December 31, 2021, the City reported a liability of $1,483,121,000 for its proportionate share of the net pension liability related to DERP. The net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2020. Standard update procedures were used to roll forward the total pension liability to December 31, 2020. The City's proportion of the net pension liability was based on City contributions to DERP for the calendar year 2020 relative to the total contributions of participating employers to DERP.

At December 31, 2020, the City's proportion was 95.28%, which was an increase of 0.52% from its proportion measured as of December 31, 2019.

The components of the City's proportionate share of the net pension liability related to DERP as of December 31, 2021, are presented in **Table 50** (dollars in thousands).

Table 50

	Governmental Activities	Business-type Activities	Total
Total pension liability	$ 3,109,819	$ 628,346	$ 3,738,165
Plan fiduciary net position	1,875,995	379,049	2,255,044
Net pension liability	**$ 1,233,824**	**$ 249,297**	**$ 1,483,121**

For the year ended December 31, 2021 the governmental activities and the business-type activities recognized pension expense of $171,621,000 and $29,494,000 respectively. A summary of the City's deferred outflows of resources and deferred inflows of resources related to pensions for DERP as of December 31, 2021, is presented in **Table 51** (dollars in thousands).

Table 51

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 26,559	$ -
Changes of assumptions or other inputs	58,235	-
Net difference between projected and actual earnings on pension plan investments	-	21,464
Changes in proportion	26,622	-
Contributions subsequent to the measurement date	84,002	-
Total	**$ 195,418**	**$ 21,464**

	Business-type Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 5,366	$ -
Changes of assumptions or other inputs	11,767	-
Net difference between projected and actual earnings on pension plan investments	-	4,337
Changes in proportion	7,516	19,450
Contributions subsequent to the measurement date	18,294	-
Total	**$ 42,943**	**$ 23,787**

	Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 31,925	$ -
Changes of assumptions or other inputs	70,002	-
Net difference between projected and actual earnings on pension plan investments	-	25,801
Changes in proportion	34,138	19,450
Contributions subsequent to the measurement date	102,296	-
Total	**$ 238,361**	**$ 45,251**

The $102,296,000 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as presented in **Table 52** (dollars in thousands).

Table 52

Year	Governmental Activities	Business-type Activities	Total
2022	$ 60,093	$ 6,440	$ 66,533
2023	55,230	(451)	54,779
2024	(23,202)	(4,688)	(27,890)
2025	(2,170)	(439)	(2,609)
2026	-	-	-
Thereafter	-	-	-
Total	**$ 89,951**	**$ 862**	**$ 90,813**

The total pension liability in the January 1, 2020 actuarial valuation was determined using the actuarial assumptions and other inputs presented in **Table 53**.

Table 53

	DERP
Discount rate	7.25%
Salary increases	3.00 - 7.00%
Price inflation	2.50%

Mortality rates were based on the Adjusted RP-2014 Mortality Tables, with generational projections using Ultimate MP Scale (changed in 2018 from RP-2000 Combined Mortality Projected with Scale AA to 2020).

The latest experience study was conducted in 2018 covering the five year period of January 1, 2013 to December 31, 2017.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan's trustees after considering input from the plan's investment consultant and actuary(s). For each major asset class that is included in the pension plan's target asset allocation as of December 31, 2020, these best estimates are summarized in **Table 54.**

Table 54

Asset Class	Target Allocation	Long-Term Expected Rate of Return
U.S. Equities		
Large Cap	18.00%	7.20%
Small Cap	4.00%	7.90%
Total U.S. Equities	**22.00%**	
International Equities		
Developed Markets	14.00%	7.90%
Emerging Markets	8.00%	9.10%
Total International Equities	**22.00%**	
Fixed Income		
Core Fixed Income	17.00%	2.60%
Private Debt	4.00%	6.20%
Distressed Debt	2.50%	7.00%
Emerging Market Debt	2.00%	4.80%
Total Fixed Income	**25.50%**	
Real Estate		
Real Estate	8.00%	7.50%
Total Real Estate	**8.00%**	
Absolute Return		
Absolute Return	5.00%	4.90%
Total Absolute Return	**5.00%**	
MLPs		
MLPs	5.00%	8.50%
Total MLPs	**5.00%**	
Alternatives		
Private Equity	7.00%	9.40%
Natural Resources	5.50%	8.80%
Total Alternatives	**12.50%**	
Total Asset Class	**100.00%**	

Discount Rate. The single discount rate used to measure the total pension liability decreased to 7.25% from 7.50%. The single discount rate was based on the expected rate of return on pension plan investments. The projection of cash flows used to determine this single rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. **Table 55** presents the City's proportionate share of the net pension liability, calculated using a discount rate of 7.25%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage- point higher (dollars in thousands):

Table 55

City's proportionate share of the net pension liability		1% Decrease 6.25%		Current Discount Rate 7.25%		1% Increase 8.25%
Governmental Activities	$	1,575,752	$	1,233,824	$	946,950
Business-type Activities		318,384		249,297		191,334
Total	**$**	**1,894,136**	**$**	**1,483,121**	**$**	**1,138,284**

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued DERP financial reports found at https://www.derp.org.

- **Fire and Police Pension Plan – Statewide Defined Benefit Plan (FPPA SWDB)**

Plan Description. Full-time firefighters and police officers hired on or after April 8, 1978, participate in the Statewide Defined Benefit Plan - Fire and Police Pension Plan (FPPA SWDB). The plan is a cost sharing multiple-employer defined benefit pension plan administered by the Fire and Police Pension Association of Colorado (FPPA) that provides normal, early, vested, or deferred retirement and death benefits. Authority for the plan, including benefit and contribution provisions, is derived from Title 31, Articles 30, 30.5, and 31 of the Colorado Revised Statutes. The plan is amended by statute and is accounted for using the economic resources measurement focus and the accrual basis of accounting. FPPA issues a publicly available annual comprehensive financial report that can be obtained at https://fppaco.org/annual-reports.html

Funding Policy. Statute requires the City contribute 8.00% of base salary and employees make a pre-tax contribution of 10.50% for a total contribution rate of 18.50%. In 2014, employees elected to increase the member contribution rate to the plan beginning in 2015. Employee contribution rates will increase 0.50% annually through 2022 to a total of 12% of pensionable wages. Employer contributions will increase 0.50% annually beginning in 2021 through 2030 to a total of 13% of pensionable wages. The City's contributions to the FPPA SWDB for the year ended December 31, 2021, were $19,818,000.

Pension Assets, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. At December 31, 2021, the City reported a pension asset of $65,973,000 for its proportionate share of the net pension asset related to the FPPA SWDB plan. The net pension asset was measured as of December 31, 2020, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2021. The City's proportion of the net pension asset was based on City contributions to FPPA SWDB plan for the calendar year 2020 relative to the total contributions of participating employers to the FPPA SWDB plan.

At December 31, 2020, the City's proportion was 30.39%, which was a decrease of 0.94% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the City recognized pension expense of $19,997,000. The components of the City's proportionate share of the net pension asset related to FPPA SWDB as of December 31, 2021, are presented in **Table 56** (dollars in thousands).

Table 56

		FPPA SWDB
Total pension liability	$	981,694
Plan fiduciary net position		1,047,667
Net pension liability (asset)	**$**	**(65,973)**

A summary of the City's deferred outflows of resources and deferred inflows of resources related to pensions for FPPA SWDB as of December 31, 2021, is presented in **Table 57** (dollars in thousands).

Table 57

	FPPA SWDB	
	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Difference between expected and actual experience	$ 55,952	$ 263
Changes of assumptions or other inputs	28,059	-
Net difference between projected and actual earnings on pension plan investments	-	67,764
Change in proportion	12,063	521
Contributions subsequent to the measurement date	19,818	-
Total	**$ 115,892**	**$ 68,548**

The $19,818,000 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as an increase in the net pension asset in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as presented in **Table 58** (dollars in thousands).

Table 58

Year	**FPPA SWDB**
2022	$ (5,613)
2023	3,176
2024	(8,224)
2025	3,264
2026	13,802
Thereafter	21,121
Total	**$ 27,526**

The total pension asset in the January 1, 2021 actuarial valuation was determined using the actuarial assumptions and other inputs presented in **Table 59** (dollars in thousands).

Table 59

	FPPA SWDB
Investment rate of return	7.00%
Salary increases	4.25 - 11.25%
Inflation	2.50%

For determining the total pension asset, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50.00% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building- block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.50%). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2020, are summarized in **Table 60.**

Table 60

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global equity	39.00%	8.23%
Equity long/short	8.00%	6.87%
Private markets	26.00%	10.63%
Fixed income - rates	10.00%	4.01%
Fixed income - credit	5.00%	5.25%
Absolute return	10.00%	5.60%
Cash	2.00%	2.32%
Total Asset Class	**100.00%**	

Discount Rate. The discount rate used to measure the total pension asset remained at 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate. Table 61 presents the City's proportionate share of the net pension liability (asset), calculated using a discount rate of 7.00%, as well as what the City's proportionate share of plan's net pension liability (asset) would be if it were calculated using a discount rate that is 1% lower or 1% higher (dollars in thousands):

Table 61

	1% Decrease 6.00%	Single Discount Rate Assumption 7.00%	1% Increase 8.00%
City's proportionate share of the net pension liability (asset)	$ 66,392	$ (65,973)	$ (175,588)

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued FPPA financial reports found at https://fppaco.org

- **Public Employees' Retirement Association of Colorado Pension Plans (PERA).**

Plan Description. County court judges and the District Attorney of the City are provided with pensions through the State Division Trust Fund (SDTF) or the Judicial Division Trust Fund (JDTF) —cost-sharing multiple-employer defined benefit pension plans administered by PERA. PERA provides retirement, disability, and survivor benefits that are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (CRS), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. The plans are accounted for using the economic resources measurement focus and the accrual basis of accounting. PERA issues a publicly available annual comprehensive financial report that can be obtained at www.copera.org/investments/pera- financial-reports.

The Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: *Concerning Modifications To the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years.*

The bill was signed into law by Governor Hickenlooper on June 4, 2018. SB 18-200 makes changes to certain benefit provisions.

Funding Policy. Eligible employees are required to contribute 10.50% of their PERA-includable salary to the SDTF and 15.50% of their PERA-includable salary to the JDTF. The City contributes 19.93% of includable salaries to the SDTF and 16.79% of includable salaries to the JDTF. Employer contributions are recognized by the SDTF and the JDTF in the period in which the compensation becomes payable to the member and the City is statutorily committed to pay the contributions to the plans. The City's contributions to the SDTF for the year ended December 31, 2021, were $45,000. The City's contributions to the JDTF for the year ended December 31, 2021, were $696,000.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. At December 31, 2021, the City reported a liability of $652,000 and $4,014,000 for the SDTF and JDTF, respectively, for its proportionate share of the net pension liability related to the PERA plans. The net pension liabilities were measured as of December 31, 2020, and the total pension liabilities used to calculate the net pension liabilities was determined by an actuarial valuation as of December 31, 2018. Standard update procedures were used to roll forward the total pension liabilities to December 31, 2020. The City's proportion of the net pension liabilities were based on City contributions to the SDTF and JDTF plan for the calendar year 2020 relative to the total contributions of participating employers to the SDTF and JDTF plans.

At December 31, 2020, the City's proportion of the SDTF was 0.007%, which was an increase of 0.001% from its proportion measured as of December 31, 2019.

At December 31, 2020, the City's proportion of the JDTF was 6.51% which was an increase of 1.43% from its proportion measured as of December 31, 2019.

The components of the City's net pension liability related to PERA as of December 31, 2021, are presented in **Table 62** (dollars in thousands).

Table 62

	SDTF	JDTF
Total pension liability	$ 1,882	$ 31,152
Plan fiduciary net position	1,230	27,121
Net pension liability	**$ 652**	**$ 4,031**

For the year ended December 31, 2021, the City recognized pension income of $219,000 for the SDTF and $868,000 of pension income for the JDFT. A summary of the City's deferred outflows of resources and deferred inflows of resources related to pensions for the SDTF and JDTF plans as of December 31, 2021, is presented in **Table 63** (dollars in thousands).

Table 63

	SDTF		JDTF		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 16	$ -	$ 885	$ -	$ 901	$ -
Changes of assumptions or other inputs	45	-	47	2,760	92	2,760
Net difference between projected and actual earnings on pension plan investments	-	134	-	2,898	-	3,032
Change in proportion	57	33	1,844	759	1,901	792
Contributions subsequent to the measurement date	45	-	696	-	741	-
Total	**$ 163**	**$ 167**	**$ 3,472**	**$ 6,417**	**$ 3,635**	**$ 6,584**

The $45,000 and $696,000 reported by the SDTF and JDTF plans, respectively, as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as presented in **Table 64** (dollars in thousands).

Table 64

Year	SDTF	JDTF
2022	$ (3)	$ (1,814)
2023	21	(1,482)
2024	(46)	(301)
2025	(21)	(44)
2026	-	-
Thereafter	-	-
Total	**$ (49)**	**$ (3,641)**

The total pension liability in the December 31, 2020 actuarial valuation was determined using the actuarial assumptions and other inputs in **Table 65.**

Table 65

	SDTF	JDTF
Price inflation	2.30%	2.30%
Salary increases, including wage inflation	3.52 - 12.40%	2.80 - 5.30%
Investment Rate of Return, net of pension plan investment expenses, including price inflation	7.25%	7.25%

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70% factor applied to male rates and a 55% factor applied to female rates.

Healthy, post-retirement mortality assumptions reflect the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

– **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73% factor and 93% factor for the SDTF and the JDTF applied to rates for ages less than 80, a 108% factor applied to rates for ages 80 and above for the SDTF and a 113% factor for the JDTF, and further adjustments for credibility.

– **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78% and 68% factor for the SDTF and the JDFT applied to rates for ages less than 80, a 109% factor applied to rates for ages 80 and above for the SDTF and a 106% factor for the JDTF, and further adjustments for credibility.

The mortality assumption for disabled retirees was based on 90% of the RP-2014 Disabled Retiree Mortality Table.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020. As a result of the November 20, 2020, PERA Board meeting, the following economic assumptions were changed, effective December 31, 2020:

– Price inflation assumption decreased from 2.40 percent per year to 2.30 percent per year.

– Real rate of investment return assumption increased from 4.85 percent per year, net of investment expenses to 4.95 percent per year, net of investment expenses.

– Wage inflation assumption decreased from 3.50 percent per year to 3.00 percent per year.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in **Table 66.**

Table 66

Asset Class	Target Allocation	30-Year Expected Geometric Real Rate of Return
Global equity	54.00%	5.60%
Fixed income	23.00%	1.30%
Private equity	8.50%	7.10%
Real estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total Asset Class	**100.00%**	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

SDTF Discount Rate. The discount rate used to measure the total pension liability was 7.25%. The basis for the projection of liabilities and the Fiduciary Net Position used to determine the discount rate was an actuarial valuation performed as of December 31, 2019 and the financial status of the Trust Fund as of the prior measurement date (December 31, 2019). In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of $225,000,000 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded. HB 20-1379 suspended the $225,000,000 million (actual dollars) direct distribution payable on July 1, 2020, for the State's 2020-21 fiscal year.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.

– Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the projection test indicates the SDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. The long-term expected rate of return of 7.25% on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate. Table 67 presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.25%) or 1 percentage-point higher (8.25%) than the current rate (dollars in thousands).

Table 67

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
City's proportionate share of the net pension liability	$ 863	$ 652	$ 475

JDTF Discount Rate. The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

– Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.

– Employee contributions were assumed to be made at the member contribution rates in effect for each year, including scheduled increases in SB 18-200. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

– Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law each year, including the scheduled increase in SB 18-200. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

– As specified in law, the State will provide an annual direct distribution of $225,000,000 (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded. HB 20-1379 suspended the $225,000,000 (actual dollars) direct distribution payable on July 1, 2020, for the State's 2020-21 fiscal year.

– Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

– The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.

– As required by HB 20-1394, 5.00% of the Judicial Division base employer contribution rate is to be paid by the members of the Judicial Division effective for the 2020-21 and 2021-22 fiscal years. This contribution rate modification does not apply to judges employed by Denver County Court.

– Benefit payments and contributions were assumed to be made at the end middle of the year.

Based on the above assumptions and methods, the Trust Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return is 7.25% on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate. Table 68 presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate (dollars in thousands).

Table 68

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
City's proportionate share of the net pension liability	$ 7,232	$ 4,031	$ 1,289

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued PERA financial reports found at https://www.copera.org/financial-reports-and-studies.

2. **Agent Single-Employer Defined Benefit Plans**

- **Denver Old Hire Fire and Police Pension Funds (FPPA Old Hire Fire and Police)**

Plan Description. The Old Hire plans are agent multiple-employer defined benefit pension plans that are administered by the Fire and Police Pension Association (FPPA). Authority for the plans, including benefit and contribution provisions, is derived from Title 31, Articles 30, 30.5, and 31 of the Colorado Revised Statutes. The Plans are amended by statute. The plans provide normal, early, vested, or deferred retirement benefits to plan participants. The Old Hire pension plans are for firefighter and police employees hired before April 8, 1978. The plans are accounted for using the economic resources measurement focus and the accrual basis of accounting and are closed to new entrants. FPPA issues a publicly available annual comprehensive financial report that includes the old hire plans and can be obtained at http://fppaco.org/annual-reports.html.

Funding Policy. The City is required to contribute to the Old Hire plans at an actuarially determined rate. Modification of the Old Hire plans is regulated by state law and by FPPA Rules and Regulations as authorized by state law. Changes to contribution requirements require an affirmative vote of 65.00% of active members and City Council ordinance. The City's contributions to the FPPA Old Hire Fire and Police plans for the year ended December 31, 2021 were $17,248,000 and $10,686,000, respectively.

Plan Membership. The plan membership of the Old Hire plans as of January 1, 2020, is presented in **Table 69.**

Table 69

Members	Old Hire Fire	Old Hire Police	Total
Retirees and beneficiaries	716	965	1,681
Inactive, non-retired beneficiaries	-	-	-
Active members	-	-	-
Total	**716**	**965**	**1,681**

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. At December 31, 2021, the City reported a liability of $166,168,000 and $110,531,000 for the Old Hire Fire and Old Hire Police plans, respectively, for the net pension liability related to the FPPA old hire plans. The net pension liabilities were measured as of December 31, 2020, and the total pension liabilities used to calculate the net pension liabilities was determined by an actuarial valuation as of January 1, 2020. Standard update procedures were used to roll forward the total pension liabilities to December 31, 2020.

The components of the net pension liability of the City as of December 31, 2021, is presented in **Table 70** (dollars in thousands).

Table 70

	Old Hire Fire	Old Hire Police
Total pension liability	$ 490,532	$ 709,038
Fiduciary net position	324,364	598,507
Net Pension Liability	**$ 166,168**	**$ 110,531**

For the year ended December 31, 2021, the City recognized $7,594,000 and $1,626,000 of pension expense for the Old Hire Fire and Old Hire Police plans, respectively. A summary of the City's deferred outflows of resources and deferred inflows of resources related to pensions for the Old Hire Fire and Old Hire Police plans as of December 31, 2021, is presented in **Table 71** (dollars in thousands).

Table 71

	Old Hire Fire	
	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Difference between expected and actual experience	$ -	$ -
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	-	14,031
Change in proportion		
Contributions subsequent to the measurement date	17,248	-
Total	**$ 17,248**	**$ 14,031**

	Old Hire Police	
	Deferred Outflowsof Resources	**Deferred Inflows of Resources**
Difference between expected and actual experience	$ -	$ -
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	-	25,000
Change in proportion	-	-
Contributions subsequent to the measurement date	10,686	-
Total	**$ 10,686**	**$ 25,000**

The $17,248,000 and $10,686,000 reported by the Old Hire Fire and Old Hire Police plans, respectively, as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as presented in **Table 72** (dollars in thousands).

Table 72

Year	Old Hire Fire	Old Hire Police
2022	$ (5,267)	$ (9,403)
2023	(836)	(1,298)
2024	(5,542)	(10,053)
2025	(2,386)	(4,246)
2026	-	-
Thereafter	-	-
Total	**$ (14,031)**	**$ (25,000)**

The changes in net pension liability for Old Hire Fire and Old Hire Police plans are presented in **Table 73.**

Table 73

	Old Hire Fire		
	Increase (Decrease)		
	Total Pension Liability	**Plan Fiduciary Net Position**	**Net Pension Liability**
Balances as of January 1, 2021	$ 502,706	$ 318,921	**$ 183,785**
Changes for the year:			
Service cost	-	-	**-**
Interest	31,286	-	**31,286**
Differences between expected and actual experience	-	-	**-**
Changes of assumptions	-	-	**-**
Contributions - employer	-	17,248	**(17,248)**
Contributions - employee	-	-	**-**
Net investment income	-	31,818	**(31,818)**
Benefit payments	(43,460)	(43,460)	**-**
Administrative expense	-	(163)	**163**
Other changes	-	-	**-**
Total Net Changes	**$ (12,174)**	**$ 5,443**	**$ (17,617)**
Balances as of December 31, 2021	**$ 490,532**	**$ 324,364**	**$ 166,168**

	Old Hire Police		
	Increase (Decrease)		
	Total Pension Liability	**Plan Fiduciary Net Position**	**Net Pension Liability**
Balances as of January 1, 2021	$ 722,101	$ 590,065	**$ 132,036**
Changes for the year:			
Service cost	-	-	**-**
Interest	45,077	-	**45,077**
Differences between expected and actual experience	-	-	**-**
Changes of assumptions	-	-	**-**
Contributions - employer	-	8,803	**(8,803)**
Contributions - employee	-	-	**-**
Net investment income	-	57,998	**(57,998)**
Benefit payments	(58,140)	(58,140)	**-**
Administrative expense	-	(219)	**219**
Other changes	-	-	**-**
Total Net Changes	**$ (13,063)**	**$ 8,442**	**$ (21,505)**
Balances as of December 31, 2021	**$ 709,038**	**$ 598,507**	**$ 110,531**

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plans target asset allocation as of December 31, 2020 are summarized in **Table 74.**

Table 74

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Cash	5.00%	0.10%
Fixed income - rates	33.00%	2.30%
Fixed income - credit	6.00%	3.50%
Absolute return	6.00%	5.60%
Long short	6.00%	6.90%
Global public equity	17.00%	7.80%
Private capital	27.00%	10.50%
Total	**100.00%**	

The total pension liability in the December 31, 2020 actuarial valuation was determined using the actuarial assumptions and other inputs reflected in **Table 75.**

Table 75

	Old Hire Fire	Old Hire Police
Investment rate of return	6.50%	6.50%
Salary increases	n/a	n/a
Inflation	2.50%	2.50%

Mortality rates were based on the RP-2014 Mortality Tables for Blue Collar Employees for ages less than 55. For ages 65 and older, RP-2014 Mortality Tables for Blue Collar Healthy Annuitants. For ages 55 through 64, a blend of the previous tables. All tables are projected with Scale BB.

For Disabled (pre-1980), mortality rates were based on the RP-2014 Disabled Generational Mortality Table generationally projected with Scale BB with a minimum 3.00% rate for males and 2.00% rate for females.

The discount rate used to measure the total pension liability remained at 6.50%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Net Pension Liability to Changes in the Discount Rate. Table 76 presents the City's net pension liability, calculated using a discount rate of 6.50%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1.00% lower (5.50%) or 1.00% higher (7.50%) (dollars in thousands):

Table 76

	1% Decrease 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
Old Hire Fire net pension liability	$ 208,785	$ 166,168	$ 129,301
Old Hire Police net pension liability	175,845	110,531	54,349

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued FPPA financial reports found at http://fppaco.org/annual-reports.html.

Each retirement system issues a publicly available financial report that includes financial statements and required supplementary information of that plan. Those reports are available by contacting:

Colorado PERA
P. O. Box 5800
Denver, Colorado 80217-5800

Denver Employees Retirement Plan
777 Pearl Street
Denver, Colorado 80203

Fire and Police Pension Association
5290 DTC Parkway, Suite 100
Greenwood Village, Colorado 80111

Note H - Other Post Employment Benefit (OPEB) Plans

The City has seven OPEB benefits covering substantially all employees of the primary government, as follows:

- Denver Employee Retirement Plan (DERP)
- DERP Implicit Rate Subsidy
- Public Employees' Retirement Association of Colorado (PERA) Plan Health Care Trust Fund (HCTF)
- Denver Police Retiree Health Fund (PRHF)
- Fire and Police Pension Association Statewide Death and Disability Plan (SWD&D)
- Fire and Police Implicit Rate Subsidy
- The Post Employment Health Plan (PEHP) for Firefighters

The majority of the City's employees, and certain employees of Denver Health and Hospital Authority, are covered under the Denver Employee Retirement Plan which includes an implicit rate subsidy. County court judges and the District Attorney are covered under the Public Employees' Retirement Association of Colorado Health Care Trust Fund. The Denver Police Retiree Health Fund covers individuals who became members after January 1, 1996 and are considered the classified service of the police department. The SWD&D Plan benefits are available for members not eligible for normal retirement under a defined benefit plan, or members who have not met 25 years of accumulated service and age 55 under a money purchase plan. The Fire and Police Pension Association Implicit Rate Subsidy covers eligible firefighter retirees and police officer retirees who participate in the health insurance programs offered by the City. The Post Employment Health Plan for Firefighters includes firefighters covered by a collective bargaining agreement between the Union and the City to provide post-employment health benefits.

A summary of OPEB related items as of and for the year ended December 31, 2021, is presented in **Table 77** (dollars in thousands).

Table 77

OPEB Plan	Net OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
DERP:				
Governmental Activities	$ 77,104	$ 9,739	$ 3,893	$ 5,020
Business-type Activities	15,506	2,675	2,557	733
HCTF	358	70	135	7
PRHF	14,376	6,468	1,297	2,050
Total	**$ 107,344**	**$ 18,952**	**$ 7,882**	**$ 7,810**

Implicit Rate Subsidy	OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
DERP:				
Governmental Activities	$ 76,241	$ 21,245	$ 7,306	$ 6,169
Business-type Activities	16,194	8,079	1,913	1,716
Fire and Police	54,048	11,513	4,616	5,146
Total	**$ 146,483**	**$ 40,837**	**$ 13,835**	**$ 13,031**

1. The Denver Employee Retirement Health Plan (DERP) and DERP Implicit Rate Subsidy

1a. DERP Participants' Plan

Plan Description. The Denver Employees Retirement Plan (DERP) administers a cost-sharing multiple-employer defined benefit plan providing pension and post-employment health benefits to eligible members. The Plan was established in 1963 by the City and County of Denver, Colorado. During 1996, the Denver Health and Hospital Authority (DHHA) was created and joined the Plan as a contractual entity. In 2001, the Plan became closed to new entrants from DHHA. All risks and costs are shared by the City and County of Denver (the City) and DHHA. There is a single actuarial evaluation performed annually that covers both the pension and post-employment health benefits. All assets of the Plan are funds held in trust by the Plan for its members for the exclusive purpose of paying pension and post-employment health benefits.

Sections 18-401 through 18-430.7 of the City's Revised Municipal Code should be referred to for complete details of the Plan.

The Plan provides retirement, death and disability benefits for its members and their beneficiaries. Members who were hired before September 1, 2004 and retire at or after age 65 (or at age 55 if the sum of their age and credited service is at least 75) are entitled to an annual retirement benefit, in an amount equal to 2.00% of their final average salary for each year of credited service, payable monthly for life. Effective for employees hired on or after September 1, 2004, the formula multiplier was reduced to 1.50%. Final average salary is based on the member's highest salary during a consecutive 36-month period of credited service. Members with five years of credited service may retire at or after age 55 and receive a reduced retirement benefit.

For members who were hired on or after July 1, 2011, they must be age 60 and have combined credited service of at least 85 in order to receive a normal retirement prior to age 65. Final average salary is based on the member's highest salary during a consecutive 60-month period of credited service. Five- year vesting is required of all employees in order to qualify for a benefit, regardless of their age at the time of termination of employment. Annual cost of living adjustment is granted on an ad hoc basis. The estimated cost of benefit and contribution provisions is determined annually by an independent actuary, recommended by the Plan's Board, and enacted into ordinance by the Denver City Council.

The health benefits account was established by City Ordinance in 1991 to provide, beginning January 1, 1992, post-employment health care benefits in the form of a premium reduction to retired members, their spouses and dependents, spouses and dependents of deceased active and retired members, and members of the Plan awaiting approval of retirement applications. During 2020, the monthly health insurance premium reduction was $12.50 per year of service for retired participants not yet eligible for Medicare, and $6.25 per year of service for retirees eligible for Medicare. The health insurance premium reduction can be applied to the payment of medical, dental, and/or vision insurance premiums. The benefit recipient pays any remaining portion of the premiums.

Funding Policy for DERP Participants. The City is required to contribute at a rate of 1.30% of annual covered payroll. The contribution requirements for the City are established under the City's Revised Municipal Code. For the year ended December 31, 2021, contributions were $5,380,000.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At December 31, 2021, the City reported a liability of $92,610,000 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2020. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2020. The City's proportion of the net OPEB was based on contributions to DERP for the calendar year 2020 relative to the total contributions of participating employers to the DERP.

At December 31, 2020, the City's proportion was 95.41% for OPEB, which was an increase of 0.33% from its proportion measured as of December 31, 2019.

The components of the City's proportionate share of the net OPEB liability related to DERP as of December 31, 2021, are presented in **Table 78** (dollars in thousands).

Table 78

OPEB Plan	Governmental Activities	Business-type Activities	Total
Total OPEB liability	$ 136,688	$ 27,489	$ 164,177
Plan fiduciary net position	59,584	11,983	71,567
Net OPEB liability	**$ 77,104**	**$ 15,506**	**$ 92,610**

For the year ended December 31, 2021, the City recognized OPEB expense for the DERP plan of $5,753,000.

A summary of the City's deferred outflows of resources and deferred inflows of resources related to OPEB as of December 31, 2021, is presented in **Table 79** (dollars in thousands).

Table 79

OPEB Plan	Governmental Activities: Deferred Outflows of Resources	Governmental Activities: Deferred Inflows of Resources
Net difference between projected and actual earnings on OPEB plan investments	$ 157	$ 3,199
Changes of assumptions or inputs	4,298	-
Net difference between projected and actual earnings on pension plan investments	-	694
Changes in proportion and differences between contributions recognized and proportionate share of contributions	866	-
Contributions subsequent to the measurement date	4,418	-
Total	**$ 9,739**	**$ 3,893**

OPEB Plan	Business-type Activities: Deferred Outflows of Resources	Business-type Activities: Deferred Inflows of Resources
Net difference between projected and actual earnings on OPEB plan investments	$ 32	$ 643
Changes of assumptions or inputs	864	-
Net difference between projected and actual earnings on pension plan investments	-	140
Changes in proportion and differences between contributions recognized and proportionate share of contributions	817	1,774
Contributions subsequent to the measurement date	962	-
Total	**$ 2,675**	**$ 2,557**

OPEB Plan	Total: Deferred Outflows of Resources	Total: Deferred Inflows of Resources
Net difference between projected and actual earnings on OPEB plan investments	$ 189	$ 3,842
Changes of assumptions or inputs	5,162	-
Net difference between projected and actual earnings on pension plan investments	-	834
Changes in proportion and differences between contributions recognized and proportionate share of contributions	1,683	1,774
Contributions subsequent to the measurement date	5,380	-
Total	**$ 12,414**	**$ 6,450**

The $5,380,000 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB and the implicit rate subsidy will be recognized as OPEB expense as presented in **Table 80** (dollars in thousands).

Table 80

OPEB Plan Year	Governmental Activities	Business-type Activities	Total
2022	$ 236	$ (63)	$ 173
2023	315	(112)	203
2024	315	(664)	(349)
2025	-	(12)	(12)
2026	-	-	-
Thereafter	-	-	-
Total	**$ 866**	**$ (851)**	**$ 15**

The total OPEB liability in the January 1, 2020 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs presented in **Table 81.**

Table 81

	DERP
Valuation date	January 1, 2020
Measurement date	December 31, 2020
Experience study	Conducted in 2018 covering the 5-year period of January 1, 2013 to December 31, 2017
Actuarial method	Entry Age Normal
Long-term investment rate of return	7.25%
Discount rate	7.25%
Salary increases	3.00%
Price inflation	2.50%
Mortality	Adjusted RP-2014 Mortality Tables, with generational projections using Ultimate MP Scale

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in **Table 82.**

Table 84

Asset Class	**Target Allocation**	**Long-Term Expected Rate of Return**
U. S. Equities		
Large Cap	18.00%	7.20%
Small Cap	4.00%	7.90%
Total U.S. Equities	**22.00%**	
International Equities		
Developed Markets	14.00%	7.90%
Emerging Markets	8.00%	9.10%
Total International Equities	**22.00%**	
Fixed Income		
Core Fixed Income	17.00%	2.60%
Private Debt	4.00%	6.20%
Distressed Debt	2.50%	7.00%
Emerging Market Debt	2.00%	4.80%
Total Fixed Income	**25.50%**	
Real Estate		
Real Estate	8.00%	7.50%
Total Real Estate	**8.00%**	
Absolute Return		
Absolute Return	5.00%	4.90%
Total Absolute Return	**5.00%**	
MLPs		
MLPs	5.00%	8.50%
Total MLPs	**5.00%**	
Alternatives		
Private Equity	7.00%	9.40%
Natural Resources	5.50%	8.80%
Total Alternatives	**12.50%**	
Total Asset Class	**100.00%**	

Discount rate. The single discount rate used to measure the total pension liability decreased to 7.25% from 7.50%. The single discount rate was based on the expected rate of return on pension plan investments. The projection of cash flows used to determine this single rate assumed that plan member and employer contributions will be made at the current contribution rate. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the City's proportionate share of the net OPEB liability to changes in Discount Rate. Table 83 presents the net OPEB liability using the current discount rate applicable to the DERP benefit structure, as well as if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher (dollars in thousands).

Table 83

City's proportionate share of the net OPEB liability	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Governmental Activities	$ 90,804	$ 77,104	$ 65,479
Business-type Activities	18,261	15,506	13,168
Total	**$ 109,065**	**$ 92,610**	**$ 78,647**

As the plan is paid at a fixed dollar value, there is not an actuarially adjusted value for healthcare costs and thus Healthcare Cost Trend Rates are not applicable to this plan.

OPEB plan fiduciary net position. Detailed information about the DERP's fiduciary net position is available in DERP's annual comprehensive financial report which can be obtained at www.derp.org.

1b. DERP Participants' Plan

Plan Description. The City acts in a single-employer capacity by providing health insurance to eligible Career Service retirees and their qualified dependents through the City's group insurance plans. The claims experience of active employees and pre-Medicare retirees is co-mingled in setting premium rates for the plans in which City employees and retirees participate. To be eligible, a retiree must be a minimum of 55 years of age if hired prior to July 1, 2011, and a minimum of 60 years of age if hired after July 1, 2011, with 5 years of service and have begun receiving their pension benefit. Coverage ceases when one reaches Medicare age.

Funding Policy for DERP Implicit Subsidy Plan. DERP retirees are responsible for 100.00% of the blended premium rate, The City's required contribution toward the implicit rate subsidy is based on pay-as-you-go financing. No assets are accumulated in a trust to pay for benefits. For the year ended December 31, 2021, contributions were $6,805,000.

Participation Rate DERP Implicit Subsidy Plan. As authorized by section 18-412 of the City's Revised Municipal Code, DERP retirees are allowed to participate in the health insurance programs offered to active employees.

- **Participating active employees:** 50.00% of active DERP employees currently covered in the City's medical plans are assumed to continue their current medical plan election in retirement.
- **Actives not currently participating:** 25.00% of active DERP employees not currently covered by a City healthcare plan are assumed to elect coverage in the Kaiser HDHP plan at or before retirement.
- **Vested terminated employees:** 40.00% of vested terminated employees with 16 or more years of City/County service are assumed to elect coverage in the Kaiser HDHP plan when they retire and begin their pension benefits.
- **Retired participants:** Existing medical plan elections are assumed to be continued through retirement until the earlier of the retiree's death or the date he or she becomes eligible for Medicare.

Spouse Coverage

- **Active participants**: 25% of those assumed to elect coverage in retirement are assumed to be married participants electing coverage for their spouse until their death. Husbands are assumed to be three years older than their wives.
- **Retired participants:** Existing elections for spouse coverage are assumed to be maintained through retirement. Actual spouse information is used where available; otherwise the assumptions for spouses of active employees are applied.

Excise tax on high-cost plans

The Affordable Care Act created an excise tax on the value of employer sponsored coverage which exceeds certain thresholds ("Cadillac Plans"). The tax was to be effective in 2022 but was repealed in December 2019 by Senate Amendment to H.R. 1865, Further Consolidated Appropriations act, 2020.

Table 84 displays Plan participants at December 31, 2020, the date of the latest actuarial valuation.

Table 84

	Plan Participants
Inactive employees currently receiving benefit payments	1,086
Inactive employees entitled to but not yet receiving benefit payments	264
Active employees	8,586
Total	**9,936**

The components of the implicit rate subsidy liability related to DERP as of December 31, 2021, are presented in **Table 85** (dollars in thousands).

Table 85

Implicit Rate Subsidy	Governmental Activities	Business-type Activities	Total
Total OPEB liability	$ 76,241	$ 16,194	$ 92,435

For the year ended December 31, 2021, the City recognized OPEB expense of $7,885,000 for the implicit rate subsidy. A summary of the City's deferred outflows of resources and deferred inflows of resources related to OPEB as of December 31, 2021, is presented in **Table 86** (dollars in thousands).

Table 86

	Governmental Activities	
Implicit Rate Subsidy	**Deferred Outflows of Resources**	**Deferred Inflows of Resources**
Difference between expected actual experience	$ 337	$ 4,664
Changes of assumptions or other inputs	15,295	-
Changes in proportion	-	2,642
Benefit claims made subsequent to the measurement date	5,613	-
Total	**$ 21,245**	**$ 7,306**

	Business-type Activities	
Implicit Rate Subsidy	**Deferred Outflows of Resources**	**Deferred Inflows of Resources**
Difference between expected actual experience	$ 71	$ 991
Changes of assumptions or other inputs	3,249	-
Changes in proportion	3,567	922
Benefit claims made subsequent to the measurement date	1,192	-
Total	**$ 8,079**	**$ 1,913**

	Total	
Implicit Rate Subsidy	**Deferred Outflows of Resources**	**Deferred Inflows of Resources**
Difference between expected actual experience	$ 408	$ 5,655
Changes of assumptions or other inputs	18,544	-
Changes in proportion	3,567	3,564
Benefit claims made subsequent to the measurement date	6,805	-
Total	**$ 29,324**	**$ 9,219**

The $6,805,000 reported as deferred outflows of resources related to the implicit rate subsidy, resulting from benefit claims paid subsequent to the measurement date, will be recognized as a reduction of the net implicit rate subsidy liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB and the implicit rate subsidy will be recognized as OPEB expense as presented in **Table 87** (dollars in thousands).

Table 87

Implicit Rate Subsidy Year	Governmental Activities	Business-type Activities	Total
2022	$ 1,334	$ 678	$ 2,012
2023	1,334	678	2,012
2024	1,334	678	2,012
2025	1,334	678	2,012
2026	1,213	694	1,907
Thereafter	1,777	1,493	3,270
Total	**$ 8,326**	**$ 4,899**	**$ 13,225**

The implicit rate subsidy liability in the December 31, 2020 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs presented in **Table 88.**

Table 88

Implicit Rate Subsidy	DERP
Valuation date	December 31, 2020
Measurement date	December 31, 2020
Actuarial Method	Entry Age Normal
Asset valuation method	Market value of assets ($0; plan is not yet funded)
Discount rate	2.12%
Participants valued	Only current active employees under age 65, non-Medicare retired participants and covered spouses are valued. No future entrants are considered in this valuation.
Projected salary increases	3.00% per year
Inflation	2.50%
Mortality	RP-2021 MacLeod Watts Scale 2022 projected generationally from 2022
Healthcare trend	Medical plan premiums and claims costs by age are 3.90% - 4.70% January 1 of 2022-2043.
Medicare eligibility	Presumed to be eligible for Medicare Parts A and B at age 65
Demographic assumptions	Follow those used in the most recent (January 2021) actuarial valuation of the Denver Employees Retirement Plan, except for a different basis used to project future mortality improvements.

Discount rate. When the financing of OPEB liabilities is on a pay-as-you-go basis, GASB 75 requires that the discount rate used for valuing liabilities be based on the yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). The basis chosen by the City was the Bond Buyer General Obligation 20 – Bond Municipal Bond Index. As such, a 2.12% discount was used to measure the implicit rate liability.

Sensitivity of the City's implicit rate subsidy liability to changes in the Discount Rate. Table 89 presents the total OPEB liability using the current discount rate applicable to the DERP benefit structure, as well as if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher (dollars in thousands).

Table 89

OPEB Liability - Implicit Rate Subsidy	1% Decrease 1.12%	Current Discount Rate 2.12%	1% Increase 3.12%
Governmental Activities	$ 83,038	$ 76,241	$ 70,178
Business-type Activities	17,638	16,194	14,906
Total	**$ 100,676**	**$ 92,435**	**$ 85,084**

The change in the healthcare cost trend rate is presented in **Table 90** (dollars in thousands).

Table 90

Change in Healthcare Cost Trend Rate	Current Trend (1.00)%	Current Trend	Current Trend 1.00%
Governmental Activities OPEB Liability	$ 69,231	$ 76,241	$ 84,457
Increase (decrease)	(7,010)		8,216
% Increase (decrease)	(9.19%)		10.78%
Business-type Activities OPEB Liability	$ 14,705	$ 16,194	$ 17,939
Increase (decrease)	(1,489)		1,745
% Increase (decrease)	(9.19%)		10.78%

The change in the total OPEB liability is presented in **Table 91** (dollars in thousands).

Table 91

	Total OPEB Liability
Balances as of January 1, 2021	$ 87,351
Changes for the year:	
Service cost	3,461
Interest	2,401
Benefit changes	-
Differences between expected and actual experience	(6,420)
Changes of assumptions	12,040
Benefit payments	(6,398)
Employee contributions	-
Employer contributions	-
Net investment income	-
Administrative expense	-
Total Net Changes	**$ 5,084**
Balances as of December 31, 2021	**$ 92,435**

2. **Public Employees' Retirement Association of Colorado (PERA)**

PERA Participants' Plan Description. The City provides OPEB to county judges and the District Attorney through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly.

The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Enrollment in the PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

The maximum service-based premium subsidy is $230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is $115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5.00% reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For retirees who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, the HCTF or the DPS HCTF pays an alternate service-based premium subsidy. Each individual retiree meeting these conditions receives the maximum $230 per month subsidy reduced appropriately for service less than 20 years, as described above. Retirees who do not have Medicare Part A pay the difference between the total premium and the monthly subsidy.

Funding Policy for PERA Participants' Plan. The City is required to contribute at a rate of 1.02% of PERA-includable salary for all PERA members. No member contributions are required. The contribution requirements for the City are established under Title 24, Article 51, Section 208(1)(f) of the C.R.S, as amended. For the year ended December 31, 2021, contributions to the HCTF were $49,000.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At December 31, 2021, the City reported a liability of $358,000 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2018. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2020. The City's proportion of the net OPEB liability was based on contributions to the HCTF for the calendar year 2020 relative to the total contributions of participating employers to the HCTF.

At December 31, 2020, the City's proportion was 0.04%, which was consistent with its proportion measured as of December 31, 2019.

The components of the City's proportionate share of the net OPEB liability related to PERA HCTF as of December 31, 2021, are presented in **Table 92** (dollars in thousands).

Table 92

	HCTF
Total OPEB liability	$ 533
Plan fiduciary net position	175
Net OPEB liability	**$ 358**

For the year ended December 31, 2021, the City recognized OPEB expense for the PERA HCTF plan of $7,000. A summary of the City's deferred outflows of resources and deferred inflows of resources related to OPEB as of December 31, 2021, is presented in **Table 93** (dollars in thousands).

Table 93

	HCTF	
	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Difference between expected and actual experience	$ 1	$ 79
Changes in assumptions or other inputs	3	22
Net difference between projected and actual earnings on OPEB plan investments	-	15
Change in proportion	17	19
Contributions subsequent to the measurement date	49	-
Total	**$ 70**	**$ 135**

The $49,000 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as OPEB expense as presented in **Table 94** (dollars in thousands).

Table 94

Year		**HCTF**
2022	$	(27)
2023		(25)
2024		(29)
2025		(25)
2026		(7)
Thereafter		(1)
Total	**$**	**(114)**

The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs presented in **Table 95.**

Table 95

HCTF		
Valuation date	December 31, 2019	
Measurement date	December 31, 2020	
Actuarial method	Entry Age Normal	
Price inflation	2.30	%
Real wage growth	0.70	%
Wage inflation	3.00	%
Salary increases, including wage inflation	3.50% in aggregate	
Long-term investment rate of return, net of OPEB investment expenses, including price inflation	7.25	%
Discount rate	7.25	%
Health care cost trend rates PERA benefit structure:		
Service-based premium subsidy	0.00	%
PERACare Medicare plans	8.10% in 2020 gradually decreasing to 4.50% in 2029	%
Medicare Part A premiums	3.50% in 2020 gradually increasing to 4.50% in 2029	

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point.

The actuarial assumptions used in the December 31, 2019, valuation were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting. In addition, certain actuarial assumptions pertaining to per capita health care costs and their related trends are analyzed and reviewed by PERA's actuary.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2019, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are presented in **Table 96.**

Table 96

Year	PERACare Plans	Medicare Part A Premiums
2020	8.10%	3.50%
2021	6.40%	3.75%
2022	6.00%	3.75%
2023	5.70%	3.75%
2024	5.50%	4.00%
2025	5.30%	4.00%
2026	5.10%	4.00%
2027	4.90%	4.25%
2028	4.70%	4.25%
Thereafter	4.50%	4.50%

Mortality assumptions for the determination of the total pension liability for each of the Division Trust Funds as shown below are applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70%, factor applied to male rates and a 55.00% factor applied to female rates.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73% factor applied to rates for ages less than 80, a 108% factor applied to rates for ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78% factor applied to rates for ages less than 80, a 109% factor applied to rates for ages 80 and above, and further adjustments for credibility.

Post-retirement non-disabled mortality assumptions for the School and Judicial Divisions were based on the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 93% factor applied to rates for ages less than 80, a 113% factor applied to rates for ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 68% factor applied to rates for ages less than 80, a 106% factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was based on 90% of the RP-2014 Disabled Retiree Mortality Table.

The following health care costs assumptions were updated and used in the measurement of the obligations for the HCTF:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2020 plan year.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2020. As a result of the November 20, 2020, PERA Board meeting the following economic assumptions were changed, effective December 31, 2020:

- Price inflation assumption decreased from 2.40% per year to 2.30% per year.
- Real rate of investment return assumption increased from 4.85% per year, net of investment expenses to 4.95% per year, net of investment expenses.
- Wage inflation assumption decreased from 3.50% per year to 3.00% per year.

Several factors were considered in evaluating the long-term rate of return assumption for the HCTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are presented in **Table 97.**

Table 97

Asset Class	**Target Allocation**	**30-Year Expected Geometric Real Rate of Return**
Global equity	54.00%	5.60%
Fixed income	23.00%	1.30%
Private equity	8.50%	7.10%
Real estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total Asset Class	**100.00%**	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

Sensitivity of the City's proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates.

Table 98 presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage-point lower or one percentage-point higher (dollars in thousands).

Table 98

	1% Decrease	**Current Trend Rate**	**1% Increase**
Initial PERACare Medicare Trend Rate	7.10%	8.10%	9.10%
Ultimate PERACare Medicare Trend Rate	3.50%	4.50%	5.50%
Initial Medicare Part A Trend Rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A Trend Rate	3.50%	4.50%	5.50%
Net OPEB Liability	**$ 349**	**$ 358**	**$ 369**

Discount rate. The discount rate used to measure the total OPEB liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2020 measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the Trust Fund representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the end of the month.

Based on the above assumptions and methods, the projection test indicates the HCTF's fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%.

Sensitivity of the City's proportionate share of the net OPEB liability to changes in the discount rate.

Table 99 presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) (dollars in thousands).

Table 99

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
City's proportionate share of the net OPEB liability	$ 411	$ 358	$ 314

OPEB plan fiduciary net position. Detailed information about the HCTF's fiduciary net position is available in PERA's annual comprehensive financial report which can be obtained at www.copera.org/investments/ pera-financial-reports.

3. **The Denver Police Retiree Health Fund (PRHF)**

Denver Police Retiree Health Fund Plan Description. The City acts in a single-employer capacity by providing health insurance to eligible Police retirees and their qualified dependents through the City's group insurance plans. Denver Police retirees are allowed to participate in the health insurance programs offered to active employees. To be eligible, a retiree must terminate his/her employment on or after January 1, 1996, and has a vested right to receive a pension from the State of Colorado Fire and Police Pension Association based on years of service as an employee, whether or not such individual is currently eligible to receive or is receiving such a pension; or any former employee who commences on or after January 1, 1996, to receive and is thereafter receiving a total disability pension from the State of Colorado Fire and Police Pension Association. Coverage ceases when one reaches Medicare age. As of the December 31, 2020 actuarial valuation, there are 1,570 active employees under age 65 covered under the health insurance plans and 112 vested terminated employees. In addition, there are 221 retired employees not yet covered by Medicare who are covered by the plans.

Funding Policy for Denver Police Retiree Health Fund Participants. The City contributes annual contributions to the Denver Police Retiree Health Fund as stipulated in the respective collective bargaining agreement. As of December 31, 2021, the City contributed $840,000 to the fund as stipulated in Article 29.1 of the collective bargaining agreement.

The monthly benefit for a Recipient shall not exceed the lesser of:

- The Plan's Maximum Monthly Benefit of $250, which reflects an increase from $200 effective January 1, 2020;
- 100.00% of the Recipient's actual health insurance, which amount is to be used for the exclusive purpose of paying or defraying such health insurance costs. There will be a presumption that the Recipient's health insurance costs are in the amount shown by such proof as is required by the Administrator; and
- The amount based upon a Recipient's years of service as a member of the Police Department of the City is reflected in **Table 100:**

Table 100

Years of Service	Percentage of the Maximum Monthly Benefit
10 - 14	40.00%
15 - 19	60.00%
20 - 24	80.00%
25+	100.00%

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At December 31, 2021, the City reported a liability of $14,376,000 for the net OPEB liability. The net OPEB liability for the Denver Police Retiree Fund was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2020.

The components of the net OPEB liability related to the Denver Police Retiree Fund as of December 31, 2021 are presented in **Table 101** (dollars in thousands).

Table 101

	PRHF
Total OPEB liability	$ 21,256
Plan fiduciary net position	6,880
Net OPEB liability	**$ 14,376**
Plan Fiduciary Net Position as percentage of total OPEB liability	**47.86%**

For the year ended December 31, 2021, the City recognized OPEB expense for the Denver Police Retiree Health Fund of $2,050,000. A summary of the City's deferred outflows of resources and deferred inflows of resources related to OPEB as of December 31, 2021, is presented in **Table 102** (dollars in thousands).

Table 102

	PRHF	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 779
Changes of assumptions or other inputs	5,628	98
Net difference between projected and actual earnings on OPEB plan investments	-	420
Contributions subsequent to the measurement date	840	-
Total	**$ 6,468**	**$ 1,297**

The $840,000 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2022. Other amounts reported as deferred inflows of resources will be recognized as OPEB expense as presented in **Table 103.**

Table 103

Year	PRHF
2022	$ 491
2023	545
2024	456
2025	587
2026	625
Thereafter	1,627
	$ 4,331

The total OPEB liability determined using the following actuarial cost method, actuarial assumptions and other inputs is presented in **Table 104.**

Table 104

	PRHF
Valuation Date	December 31, 2020
Actuarial method	Entry age normal level % of pay
Discount rate	5.15 %
Asset valuation method	Market value assets
Salary increases, including wage inflation	3.00 %
Investment Rate of Return, net of OPEB plan investment expenses, including price inflation	6.00 %

Participants Valued:

Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in this valuation.

Mortality rates:

- **Healthy retirees and beneficiaries:** For ages less than 55, RP-2014 Mortality Tables for employees. For ages 65 and older, RP-2014 Mortality Tables for healthy annuitants. For ages 55 through 64, a blend of the previous tables. All tables are projected with Scale BB.
- **Active Members:** RP-2014 Mortality Tables for employees, projected with Scale BB, 50.00% multiplier for off-duty mortality. Increased by 0.00015% for on-duty related Fire and Police experience.
- **Mortality Improvement:** MacLeod Watts Scale 2018 applied generationally.

Future Increases in the Maximum Monthly Benefit:

The Maximum Monthly Benefit paid by the Fund is assumed to remain at the current level through December 31, 2022 and then increase by 4.50% per year, beginning January 1, 2023.

Participation Rate:

- **Active and vested former employees:** All future retirees who qualify for benefits under this program will elect to receive them and that their monthly benefit will be the vested portion of the Maximum Monthly Benefit.
- **Retired participants:** All existing retirees are assumed to receive the vested portion of the Maximum Monthly Benefit for the remaining period for which they qualify for payments.

Surviving Spouse Benefits:

- **Active and vested terminated participants:** 50.00% of future retirees are assumed to have a spouse who might qualify for continuation of benefits in the event that the employee dies in the line of duty or after retirement and prior to receiving all of his or her benefits under this Program. Husbands are assumed to be three years older than their wives.
- **Retired participants:** Current spouse coverage information was used to project potential survivor benefits for existing retirees.

The target allocations for each major asset class are summarized in **Table 105.**

Table 105

Asset Class	Target Allocation
Cash and sweep balances	0.64%
Stocks, options & ETF's	75.09%
Mutual funds	24.27%
Total Asset Class	**100.00%**

Discount rate. The discount rate used to measure the total OPEB liability decreased to 5.15% from 6.00%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of the cash flows:

The City's contributions to the Fund have exceeded 100.00% of the Actuarially Determined Contributions (ADC) and it is assumed that future City contribution levels will continue at or above the currently negotiated levels.

As such, with the City's approval, the discount rate used in this valuation is 5.15%. The ADC are based on the following two components, which are then adjusted with interest to fiscal year end:

- The amounts attributed to service performed in the current fiscal year (the normal cost) and
- Amortization of the unfunded actuarial accrued liability (UAAL) over a closed 20-year period with payments determined as a level percent of payroll (using an assumed 3.00% per year aggregate payroll increase).

Sensitivity of the net OPEB liability to changes in the discount rate and Health Care Cost Trend Rates. The discount rate used for net OPEB liability is 5.15%. Healthcare Cost Trend Rate (as applied in projecting future increases in maximum benefits provided by the Fund) is 3.50% per year. The impact of 1.00% increase or a 1.00% decrease in these assumptions is shown in **Table 106.**

Table 106

Change in Discount Rate	Current-1.00% 4.15%	Current 5.15%	Current+1.00% 6.15%
Net OPEB liability	$ 16,082	$ 14,376	$ 12,817
Increase (decrease)	1,706		(1,560)
% Increase (decrease)	11.90%		(10.90%)
Change in Healthcare Cost Trend Rate	**Current Trend** (1.00%)	**Current Trend**	**Current Trend** 1.00%
Net OPEB liability	$ 12,427	$ 14,376	$ 16,267
Increase (decrease)	(1,949)		2,250
% Increase (decrease)	(13.60%)		15.70%

The change in the net OPEB liability is presented in **Table 107** (dollars in thousands).

Table 107

	2021		
	Total OPEB Liability	**Plan Fiduciary Net Position**	**Net OPEB Liability**
Balances as of January 1, 2021	$ 19,789	$ 5,721	$ 14,068
Changes for the Year:			
Service cost	708	-	708
Interest	1,212	-	1,212
Benefit changes	-	-	-
Differences between expected and actual experience	(3,096)	-	(3,096)
Transition to entry age normal	-	-	-
Changes of assumptions	3,235	-	3,235
Benefit payments	(592)	(592)	-
Employee contributions	-	-	-
Employer contributions	-	1,200	(1,200)
Net investment income	-	551	(551)
Administrative expense	-	-	-
Total Net Changes	**$ 1,467**	**$ 1,159**	**$ 308**
Balances as of December 31, 2021	**$ 21,256**	**$ 6,880**	**$ 14,376**

4. **SWD&D Participants' Plan Description.**

The Plan is a cost-sharing multiple-employer defined benefit death and disability plan covering full-time employees of substantially all fire and police departments in Colorado. As of August 5, 2003, the Plan may include part-time police and fire employees. Contributions to the Plan are used solely for the payment of death and disability benefits. Employers who are covered by Social Security may elect supplementary coverage by the Plan. The Plan was established in 1980 pursuant to Colorado Revised Statutes and currently has 221 participating employer departments. Included in that number are 6 contributing employers as of December 31, 2020, who are covered by Social Security and have elected supplementary coverage by the Plan. The Plan assets are included in the Fire & Police Members' Benefit Investment Fund. Plan benefits provide 24-hour coverage, both on- and off-duty and are available for members not eligible for normal retirement under a defined benefit plan, or members who have not met 25 years of accumulated service and age 55 under a money purchase plan. In the case of an on-duty death, benefits may be payable to the surviving spouse or dependent children of active members who were eligible to retire but were still working. Death and disability benefits are free from state and federal taxes in the event that a member's disability is determined to be the result of an on-duty injury or an occupational disease.

Funding Policy for SWD&D Participants' Plan. Prior to 1997, the Plan was primarily funded by the State of Colorado, whose contributions were established by Colorado statute. In 1997 the State made a one-time contribution of $39,000,000 to fund past and future service costs for all firefighters and police officers hired prior to January 1, 1997. No further State contributions are anticipated. Members hired on or after January 1, 1997, began contributing 2.40% of base salary to this Plan as of January 1, 1997. Contributions may be increased 0.10% biennially by the FPPA Board. The contributions increased to 4.00% of base salary as of January 1, 2020. This percentage can vary depending on actuarial experience. All contributions are made by members or on behalf of members. The 4.00% contribution may be paid entirely by the employer or member, or it may be split between the employer and the member as determined at the local level. As all contributions are considered employee contributions, the City does not make any contributions to this plan, and there is no net OPEB liability to the City. The plan has 1,586 retirees and beneficiaries currently receiving benefits and 12,466 total members.

OPEB plan fiduciary net position. Detailed information about the FPPA's fiduciary net position is available in their annual comprehensive financial report which can be obtained at https://www.fppaco.org/annual- reports.html.

5. **Fire and Police Pension Health Plan Implicit Rate Subsidy**

Fire and Police Participants' Plan Description. City acts in a single-employer capacity by providing access to health insurance to eligible fire and police retirees and their qualified dependents through the respective groups' insurance plans. Based on City practice, firefighter retirees and police officer retirees are allowed to participate in the health insurance programs offered to active employees. Firefighters and police officers hired prior to April 8, 1978, are eligible for this coverage with a minimum of 25 years of service; however, police officers are also eligible when they begin collecting their pension benefit should they not obtain 25 years of service. For fire and police employees hired after April 7, 1978, they must have elected to begin collecting their pension and be a minimum of 55 years of age with 5 years of service or attained age 50 with 30 years of service. Coverage ceases when one reaches Medicare age. As of the December 31, 2020 actuarial valuation, there are 2,614 active employees under age 65 covered under the health insurance plans and 81 vested-terminated employers. In addition, there are 184 retired employees not yet covered by Medicare who are covered by the plans. There is no stand-alone financial report for this medical coverage benefit and it is not included in the report.

Funding Policy for Fire and Police Participants' Plan. Fire and police retirees are responsible for 100.00% of the blended premium rate. The City's required contribution toward the implicit rate subsidy is based on pay-as-you-go financing, and no assets are accumulated in a trust to pay for benefits. For the year ended December 31, 2020, contributions were $2,016,000. All contributions are considered employer contributions.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At December 31, 2021, the City reported a liability of $54,048,000 for the total OPEB implicit rate liability. The OPEB implicit rate liability for the Fire and Police plan was measured as of December 31, 2020. The total OPEB implicit rate liability was determined by an actuarial valuation as of December 31, 2020.

The components of the total OPEB liability related to the Fire and Police Implicit Rate Subsidy as of December 31, 2021 are presented in **Table 108** (dollars in thousands).

Table 108

Fire and Police Implicit Rate Subsidy		
Total OPEB implicit rate liability	$	54,048

For the year ended December 31, 2021, the City recognized OPEB implicit rate expense for Fire and Police of $5,146,000. A summary of the City's deferred outflows of resources and deferred inflows of resources related to the OPEB implicit rate subsidy as of December 31, 2021, is presented in **Table 109** (dollars in thousands).

Table 109

	Fire and Police Implicit Rate Subsidy	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	$ -	$ 4,616
Net difference between projected and actual earnings on OPEB plan investments	9,497	-
Benefits paid subsequent to the measurement date	2,016	-
Total	**$ 11,513**	**$ 4,616**

The $2,016,000 reported as deferred outflows of resources related to the Fire and Police OPEB implicit rate subsidy, resulting from benefit claims paid subsequent to the measurement date, will be recognized as a reduction of the total OPEB implicit rate liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as presented in **Table 110** (dollars in thousands).

Table 110

Year	
2022	$ 676
2023	676
2024	676
2025	677
2026	677
Thereafter	1,499
Total	**$ 4,881**

The total OPEB implicit rate liability in the December 31, 2020 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs presented in **Table 111.**

Table 111

	Fire and Police Implicit Rate Subsidy
Valuation Date	December 31,2020
Actuarial method	Entry age normal
Discount rate	2.12% as of 12/31/2020
General inflation	2.50%
Salary increases, including wage inflation	3.00%
Mortality	FPPA 2021 Actuarial Valuation; Projected with MW Scale 2022

Participation Rate. The health benefits account was established by City Ordinance to provide post-employment health care benefits in the form of a premium reduction to retired members, their spouses and dependents, spouses and dependents of deceased active and retired members, and members of the Plan awaiting approval of retirement applications.

- **Participating active employees:** 35.00% of active fire and police employees currently covered in the City's medical plans are assumed to continue their current medical plan election in retirement.
- **Actives not currently participating:** 17.50% of active fire and police employees not currently covered by a City healthcare plan are assumed to elect coverage in the following plans at or before retirement: (a) if police: United HDHP; (b) if fire: Kaiser HMO Vested terminated employees: 35.00% of vested employees age 45 or older with 10 or more years fire and police service are assumed to elect coverage in the Kaiser plan available when they retire and begin their pension benefits.
- **Retired participants:** Existing medical plan elections are assumed to be maintained through retirement until the earlier of the retiree's death or the date he or she becomes eligible for Medicare.
- **Active and vested terminated participants:** 55.00% of those assumed to elect coverage in retirement are assumed to be married participants electing coverage for their spouse until their death. Husbands are assumed to be three years older than their wives.

- **Retired participants:** Existing elections for spouse coverage are assumed to be maintained through retirement. Actual spouse information is used where available; otherwise the assumptions for spouses of active employees are applied.

The Affordable Care Act created an excise tax on the value of employer sponsored coverage which exceeds certain thresholds (“Cadillac Plans”). The tax was to be effective in 2022 but was repealed in December 2019 by Senate Amendment to H.R. 1865, Further Consolidated Appropriations act, 2020.

Development of Age-related Premiums:

Actual premium rates for fire and police retirees and their spouses were adjusted to an age-related basis by applying medical claim cost factors developed from the data presented in the report, “Health Care Costs – From Birth to Death”, sponsored by the Society of Actuaries.

Representative claims costs derived for retirees not currently covered or not expected to be eligible for Medicare appear in **Table 112.**

Table 112

	Expected Monthly Claims by Medical Plan for Selected Ages							
	Male				Female			
Medical Plan	**48**	**53**	**58**	**63**	**48**	**53**	**58**	**63**
Police								
DHMP DHMO	$ 557	$ 736	$ 938	$ 1,163	$ 721	$ 850	$ 961	$ 1,129
DHMP HDHP	499	659	840	1,041	646	761	860	1,011
Kaiser DHMO	528	697	888	1,101	683	804	910	1,069
Kaiser HDHP	507	669	853	1,057	656	773	874	1,026
United HDHP	625	826	1,052	1,305	809	953	1,078	1,266
United CDP	647	855	1,089	1,350	837	987	1,116	1,311
Fire								
Kaiser HMO	$ 598	$ 790	$ 1,006	$ 1,247	$ 774	$ 911	$ 1,031	$ 1,211
Kaiser HDHMO	484	640	815	1,011	627	739	835	981
Kaiser Triple Options	690	912	1,162	1,440	893	1,052	1,190	1,398

In developing these factors, it was assumed there were 1.8 children per participant covering children with an average age of 13. Actual spouse ages were used if available. Otherwise husbands were assumed to be three years older than their wives.

Mortality rates:

- **Healthy retirees and beneficiaries:** For ages less than 55, RP-2014 Employee Mortality Tables. For ages 65 and older, RP-2014 Mortality Tables for Healthy Annuitants. All tables are projected with Scale BB.
- **Active Members:** RP-2014 Employee Mortality Tables, projected with Scale BB, 50.00% multiplier for off-duty mortality. Increased by 0.00015% for on-duty related Fire and Police experience.
- **Mortality Improvement:** MacLeod Watts Scale 2022 applied generationally

Sensitivity of the net OPEB liability to changes in the discount rate and Health Care Cost Trend Rates. The discount rate used for net OPEB liability is 2.12%. Healthcare Cost Trend Rate (as applied in projecting future increases in maximum benefits provided by the Fund) is 3.90% per year. The impact of 1.00% increase or a 1.00% decrease in these assumptions is shown in **Table 113**.

Table 113

Discount Rate Implicit Rate Subsidy	1% Decrease 1.12%	Current Discount Rate 2.12%	1% Increase 3.12%
OPEB Liability	59,181	54,048	49,394
Increase (decrease)	5,134		(4,653)
% Increase (decrease)	9.50%		(8.61%)
Health Care Cost Trend Rate Implicit Rate Subsidy	**1% Decrease**	**Current Trend**	**1% Increase**
OPEB Liability	47,986	54,048	61,202
Increase (decrease)	(6,062)		7,155
% Increase (decrease)	(11.22%)		13.24%

Discount Rate. The discount rate was changed from 2.74% as of December 31, 2019, to 2.12% as of December 31, 2020, based on the published change in return for the applicable municipal bond index. The basis chosen by the City was the Bond Buyer General Obligation 20 – Bond Municipal Bond Index.

The change in the total OPEB liability is presented in **Table 114** (dollars in thousands).

Table 114

	Total OPEB Liability
Balances as of January 1, 2021	$ 54,330
Changes for the Year:	
Service cost	2,932
Interest	1,538
Benefit changes	-
Differences between expected and actual experience	(5,629)
Changes of assumptions	3,146
Benefit payments	(2,269)
Employee contributions	-
Employer contributions	-
Net investment income	-
Administrative expense	-
Total Net Changes	**$ (282)**
Balances as of December 31, 2020	**$ 54,048**

6. **Post-employment Health Plan for Firefighters**

PEHP Plan Description. The City provides other postemployment benefits to certain collectively bargained employees through a defined contribution OPEB trust administered by a third-party provider appointed by the City. The Plan is established under the collective bargaining agreement effective as of December 15, 2015. The trust provides post-retirement reimbursement of qualifying medical care expenses and healthcare insurance premiums for the benefit of eligible City employees who are participants in the plan, and their dependents. Those benefits are intended to qualify as a voluntary employees' beneficiary association within the meaning of section 501(c)(9) of the Internal Revenue Code of 1986, as amended.

Funding Policy for the PEHP. Subject to appropriation, the City is required to contribute at a rate of 1.25% per year of base pay on behalf of each firefighter. The contribution requirements for the City are established under the collective bargaining agreement, as amended. For the year ended December 31, 2021, contributions to the PEHP were $840,000. The City may periodically change its contributions to the trust, consistent with the objectives of the plan and applicable law by a mutually agreeable method between the City and the plan administrator.

Each system issues a publicly available financial report that includes financial statements and required supplementary information of that plan. Those reports are available by contacting:

Colorado PERA
P. O. Box 5800
Denver, Colorado 80217-5800

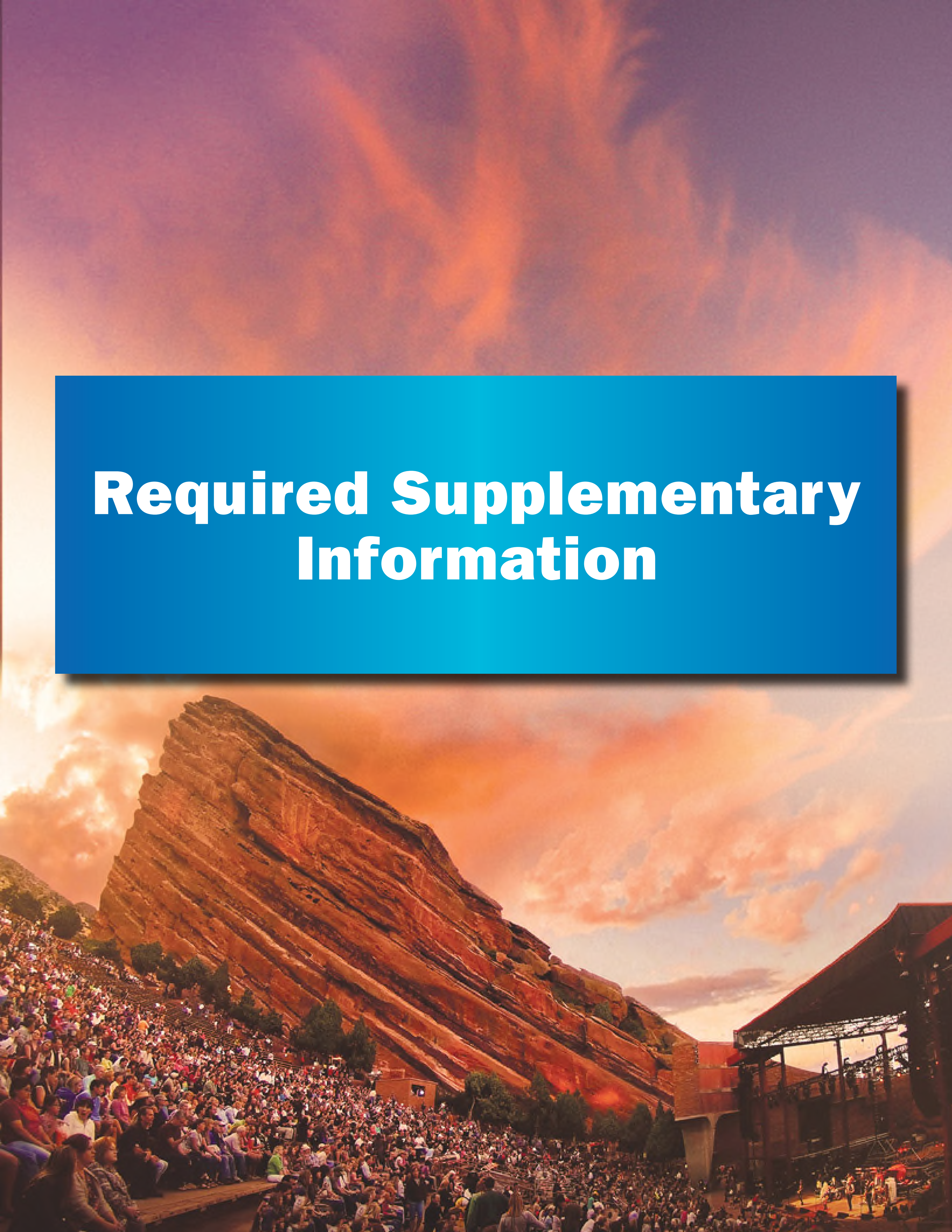
Fire and Police Pension Association
5290 DTC Pkwy #100
Greenwood Village, CO 80111

Postemployment Health Plan
Nationwide Retirement Solutions
P.O. Box 182797 Columbus, OH 43218-2797

Denver Employees Retirement Plan
777 Pearl Street
Denver, Colorado 80203

City and County of Denver
201 West Colfax Avenue
Denver, Colorado, 80202

Required Supplementary Information



Required Supplementary Information Budgetary Comparison Schedule - General Fund and Human Services Special Revenue Fund

Year Ended December 31, 2021 (dollars in thousands)

	General Fund			
	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Taxes	$ 996,099	$ 1,038,216	$ 1,073,310	$ 35,094
Licenses and permits	46,998	53,740	67,135	13,395
Intergovernmental revenues	41,440	41,852	39,424	(2,428)
Charges for services	153,863	149,139	194,768	45,629
Investment and interest income (loss)	13,726	13,815	712	(13,103)
Fines and forfeitures	41,884	39,808	37,196	(2,612)
Contributions	-	-	309	309
Other revenue	5,267	4,575	11,446	6,871
Total Revenues	**1,299,277**	**1,341,145**	**1,424,300**	**83,155**
Budget Basis Expenditures				
General government	321,169	388,337	370,146	18,191
Public safety	629,776	583,142	575,296	7,846
Public works	128,185	130,563	133,432	(2,869)
Human services	6,053	6,053	2,712	3,341
Health	55,688	53,879	48,473	5,406
Parks and recreation	79,898	79,771	68,491	11,280
Cultural activities	50,819	50,322	47,641	2,681
Community development	57,258	58,359	52,880	5,479
Economic opportunity	2,040	1,619	1,619	-
Total Budget Basis Expenditures	**1,330,886**	**1,352,045**	**1,300,690**	**51,355**
Excess (deficiency) of revenues over budget basis expenditures	(31,609)	(10,900)	123,610	134,510
Other Financing Sources (Uses)				
Sale of capital assets	-	-	73	73
Issuance of Certificate of Participation	-	-	-	-
Payment to Paying Agent	-	-	-	-
Issuance of capital leases	-	-	-	-
Insurance recoveries	-	-	789	789
Transfers in	27,789	46,273	45,772	(501)
Transfers out	(96,673)	(130,220)	(19,687)	110,533
Total Other Financing Sources (Uses)	**(68,884)**	**(83,947)**	**26,947**	**110,821**
Excess (deficiency) of revenues and other financing sources over budget basis expenditures and other financing uses	**$ (100,493)**	**$ (94,847)**	150,557	**$ 245,404**
Fund balances - January 1			289,881	
Fund Balances - December 31			**$ 440,438**	

See accompanying notes to required supplementary information.

Human Services Special Revenue Fund

Budget Original	Budget Final	Actual	Variance with Final Budget
$ 76,540	$ 76,053	$ 76,645	$ 592
-	-	-	-
101,774	102,421	95,620	(6,801)
544	284	567	283
-	-	145	145
-	-	-	-
-	-	-	-
591	405	298	(107)
179,449	**179,163**	**173,275**	**(5,888)**
-	-	-	-
-	-	-	-
-	-	-	-
177,607	180,350	153,389	26,961
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
177,607	**180,350**	**153,389**	**26,961**
1,842	(1,187)	19,886	21,073
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	188	188
(1,308)	(1,810)	(1,810)	-
(1,308)	**(1,810)**	**(1,622)**	**188**
$ 534	**$ (2,997)**	18,264	**$ 21,261**
		82,503	
		$ 100,767	

Notes to Required Supplementary Information Budgetary Comparison Schedule

The City adheres to the following procedures in establishing the budgetary data for governmental fund types reflected in the financial statements:

1. Formal budgetary integration for expenditures is employed during the year for the general, special revenue, and capital projects funds except for certain special assessment projects and general improvement district funds. Formal budgetary integration is not employed for debt service funds, and certain special assessment projects and general improvement district funds included in capital projects and debt service funds, because effective budgetary control is alternatively achieved through bond and general obligation bond indenture provisions.
2. Budgets for appropriation in the General, Human Services special revenue, and capital projects funds are adopted on a basis consistent with GAAP. The General Fund and Human Services special revenue fund legally adopt budgets on an annual basis for expenditures. All other special revenue funds and the capital projects funds adopt budgets on a project length basis.
3. On or before July 1, heads of all City departments and agencies submit requests for appropriations to the budget officer who compiles the requests and submits a comprehensive budget request document to the Mayor. Thereafter, on or before September 15 of each year, the Mayor briefs the City Council on the tentative revenue and expenditure plans for the ensuing year. After receiving and considering City Council's recommendations, the Mayor prepares and submits to the City Council, on or before the third Monday in October of each year, a proposed budgetary report which includes all projected revenues and expenditures, the amount to be raised by taxation to pay interest on general obligation bonded indebtedness, and the amounts to be expended during the ensuing year for capital improvement projects identifying the sources of revenue for financing such projects . Upon receipt of the proposed budget, the City Council publishes a notice that the budget is open for inspection by the public and that a public hearing on the proposed budget will be held by no later than the fourth Monday in October. After the public hearing and consideration is given to the input by the public, the City Council, not later than the second Monday in November, adopts the budget by passage of an ordinance.
4. Authorization to transfer budgeted amounts between departments (appropriations) within any fund or revisions that alter the total expenditures of any fund must be approved by the City Council. Management can transfer budgeted amounts between line items within departments (appropriations). The legal level of budgetary control is established and maintained at the funded project level for special revenue and capital projects funds and at the department level for all other funds. Budgeted amounts are as originally adopted and as amended by the City Council throughout the year.
5. Unencumbered appropriations in the General Fund and Human Services special revenue fund lapse at year end. The unencumbered appropriations in the remaining special revenue funds and capital projects funds do not lapse at year end but terminate upon expiration of the grant or project fiscal year or term.

Required Supplementary Information
Schedule of City's Proportionate Share of the Net Pension Liability - DERP
December 31, 2021 (dollars in thousands)

	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
DERP					
December 31, 2015	88.88%	$ 778,462	$ 557,646	139.60%	70.12%
December 31, 2016	89.51%	1,055,539	571,367	184.74%	62.26%
December 31, 2017	89.84%	1,095,568	574,914	190.56%	62.26%
December 31, 2018	90.70%	1,063,754	541,545	196.43%	65.49%
December 31, 2019	92.03%	1,388,395	542,111	256.11%	57.76%
December 31, 2020	94.76%	1,378,920	569,297	242.21%	60.82%
December 31, 2021	95.28%	1,483,121	586,482	252.88%	60.32%

Note: Information is not available prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Information presented in this schedule has been determined as of the City's measurement date (December 31 of the year prior to the most recent fiscal year) of the collective net pension liability in accordance with Governmental Accounting Standards Board Statement No. 68.

Note: Changes in assumptions. For the year ended December 31, 2021 the discount rate used to measure the total pension liability changed to 7.25% from 7.50% at December 31, 2019. For the year ended December 31, 2019 the discount rate used to measure the total pension liability changed to 7.50% from 7.75% at December 31, 2017. For the year ended December 31, 2017 the discount rate used to measure the total pension liability changed to 7.75% from 8.00% at December 31, 2015.

Required Supplementary Information
Schedule of City Contributions - DERP
December 31, 2021 (dollars in thousands)

	Statutorily Required Contributions	Contributions in Relation to Statutorily Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a % of Covered Payroll
DERP					
December 31, 2015	$ 64,443	$ 60,181	$ 4,262	$ 560,157	10.74%
December 31, 2016	59,159	64,345	(5,186)	574,914	11.19%
December 31, 2017	64,404	64,404	-	541,545	11.89%
December 31, 2018	75,096	75,096	-	542,111	13.85%
December 31, 2019	83,255	83,255	-	569,297	14.62%
December 31, 2020	95,624	95,624	-	586,482	16.30%
December 31, 2021	83,255	83,255	-	573,969	14.51%

Note: Information is not available prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Information presented in this schedule has been determined as of the City's most recent fiscal year end (December 31) in accordancewith Governmental Accounting Standards Board Statement No. 68.

Note: There were no benefit changes during the year. As of October 1, 2016, the valuation interest was lowered from 8% to 7.75%. The latest experience study was conducted in 2019 covering the 5-year period of January 1, 2015 to December 31, 2019. At the time, the recommended mortality table was expected to produce a margin of 8% on the retired male mortality experience and 7% on the retired female experience (Source: Denver Employees Retirement Plan 2013 Actuarial Experience Study for the period ending December 31, 2012, page 24).

Required Supplementary Information
Schedule of City's Proportionate Share of the Net Pension Liability - FPPA SWDB

December 31, 2021 (dollars in thousands)

	City's Proportion of the Net Pension Liability (Asset)	City's Proportionate Share of the Net Pension Liability (Asset)	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
FPPA SWDB					
December 31, 2015	39.51%	$ (44,591)	$ 230,820	19.32%	106.80%
December 31, 2016	39.81%	(701)	251,518	0.28%	100.10%
December 31, 2017	38.18%	13,797	257,016	5.37%	98.21%
December 31, 2018	34.96%	(50,290)	200,006	25.14%	106.34%
December 31, 2019	32.29%	40,822	236,503	17.26%	95.20%
December 31, 2020	31.33%	(17,721)	250,435	7.08%	101.90%
December 31, 2021	30.39%	(65,973)	263,790	17.26%	106.72%

Note: Information is not available prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Information presented in this schedule has been determined as of the City's measurement date (December 31 of the year prior to the most recent fiscal year) of the collective net pension liability in accordance with Governmental Accounting Standards Board Statement No. 68.

Required Supplementary Information
Schedule of City Contributions - FPPA SWDB

December 31, 2021 (dollars in thousands)

FPPA	Statutorily Required Contributions	Contributions in Relation to Statutorily Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a % of Covered Payroll
SWDB					
December 31, 2015	$ 20,121	$ 15,299	$ 4,822	$ 251,518	6.08%
December 31, 2016	20,561	15,648	4,913	257,016	6.09%
December 31, 2017	16,000	15,934	66	200,006	7.97%
December 31, 2018	18,920	17,396	1,524	236,503	7.36%
December 31, 2019	20,035	18,079	1,956	250,435	7.22%
December 31, 2020	21,103	19,528	1,575	263,790	7.40%
December 31, 2021	20,651	19,818	833	258,134	7.68%

Note: Information is not available prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Information presented in this schedule has been determined as of the City's most recent fiscal year end (December 31) in accordance with Governmental Accounting Standards Board Statement No. 68.

Note: Changes in Assumptions. At least every five years, the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2015 and July 2018 meetings, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The approved assumption changes from the July 2015 meeting were effective for actuarial valuations beginning January 1, 2016 and were used in the rollforward calculation of total pension liability as of December 31, 2015. Actuarial assumptions effective for actuarial valuations prior to January 1, 2016 were used in the determination of the actuarially determined contributions as of December 31, 2015. The approved assumption changes from the July 2018 meeting were effective for actuarial valuations beginning January 1, 2019 and were used in the rollforward calculation of total pension liability as of December 31, 2018. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors as used.

Required Supplementary Information
Schedule of City's Proportionate Share of the Net Pension Liability - PERA
December 31, 2021 (dollars in thousands)

	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability	State of Colorado's Share of the Net Pension Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
PERA SDTF						
December 31, 2015	0.007%	$ 674	$ -	$ 207	325.60%	59.80%
December 31, 2016	0.007%	755	-	221	341.63%	56.10%
December 31, 2017	0.007%	1,358	-	203	668.97%	42.60%
December 31, 2018	0.008%	1,677	-	314	534.08%	43.20%
December 31, 2019	0.007%	794	5	220	360.91%	55.11%
December 31, 2020	0.006%	602	5	230	261.74%	62.24%
December 31, 2021	0.007%	652	-	229	284.72%	65.36%
PERA JDTF						
December 31, 2015	6.400%	$ 8,854	$ -	$ 2,800	316.21%	66.90%
December 31, 2016	6.018%	11,066	-	2,986	370.60%	60.10%
December 31, 2017	5.840%	14,835	-	2,864	517.98%	53.20%
December 31, 2018	6.009%	13,945	-	2,841	490.85%	58.70%
December 31, 2019	5.087%	7,186	70	2,878	249.69%	68.48%
December 31, 2020	5.076%	4,616	68	3,148	146.63%	80.02%
December 31, 2021	6.506%	4,031	-	2,740	147.12%	87.06%

Note: Information is not available prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented.

Note: 2019 contributions include $5,000 for the SDTF and $70,000 for the JDTF from the special funding situation with the State of Colorado as a non-employer contributing entity per SB-18-200. 2020 contributions include $5,000 for the SDTF and $68,000 for the JDTF from the special funding situation with the State of Colorado as a non-employer contributing entity per SB-18-200.

Note: Information presented in this schedule has been determined as of the City's measurement date (December 31 of the year prior to the most recent fiscal year) of the collective net pension liability in accordance with Governmental Accounting Standards Board Statement No. 68.

Required Supplementary Information
Schedule of City's Contributions - PERA

December 31, 2021 (dollars in thousands)

PERA	Statutorily Required Contributions	Contributions in Relation to Statutorily Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a % of Covered Payroll
SDTF					
December 31, 2015	$ 36	$ 37	$ (1)	$ 221	16.74%
December 31, 2016	37	37	-	203	18.23%
December 31, 2017	46	46	-	314	14.65%
December 31, 2018	43	43	-	220	19.55%
December 31, 2019	43	43	-	225	19.11%
December 31, 2020	44	44	-	229	19.21%
December 31, 2021	45	45	-	229	19.65%
JDTF					
December 31, 2015	$ 488	$ 488	$ -	$ 2,986	16.34%
December 31, 2016	468	468	-	2,864	16.34%
December 31, 2017	468	468	-	2,841	16.47%
December 31, 2018	504	504	-	2,878	17.51%
December 31, 2019	598	598	-	3,148	19.00%
December 31, 2020	674	674	-	3,145	21.43%
December 31, 2021	696	696	-	2,740	25.40%

Note: Information is not available prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Based on the 2020 experience analysis, dated October 28, 2020, for the period January 1, 2016, through December 31, 2019, revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020, and were effective as of December 31, 2020. The following assumptions changes were reflected in the roll forward calculation of the total pension liability from December 31, 2019, to December 31, 2020:

Price inflation decreased to 2.30% from 2.40%

Real wage growth decreased to 0.70% from 1.10%

Wage inflation decreased to 3.00% from 3.50%

Note: Changes to assumptions or other inputs since the December 31, 2013 actuarial valuation are as follows:

Valuation of the full survivor benefit without any reduction for possible remarriage

Reflection of the employer match on separation benefits for all eligible years

Reflection of one year of service eligibility for survivor annuity benefit

Refinement of the 18 month annual increase timing

Refinements to directly value certain and life, modified cash refund and pop-up benefit forms.

Recognition of merit salary increases in the first projection year

Elimination of the assumption that 35% of future disabled members elect to receive a refund

Removal of the negative value adjustment for liabilities associated with refunds of future terminating members

Adjustments to the timing of the normal cost and unfunded actuarial accrued liability payment calculations to reflect contributions throughout the year

Note: Information presented in this schedule has been determined as of the City's most recent fiscal year end (December 31) in accordance with Governmental Accounting Standards Board Statement No. 68.

Required Supplementary Information
Schedule of City's Contributions - FPPA Old Hire Fire and Police

December 31, 2021 (dollars in thousands)

FPPA	Actuarially determined Required Contributions	Contributions in Relation to Actuarially Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
Old Hire Fire					
December 31, 2015	$ 13,061	$ 15,912	$ (2,851)	$ 139	11447.48%
December 31, 2016	13,053	13,061	(8)	90	14512.22%
December 31, 2017	16,355	16,355	-	n/a	n/a
December 31, 2018	16,355	16,355	-	n/a	n/a
December 31, 2019	17,248	17,248	-	n/a	n/a
December 31, 2020	17,248	17,248	-	n/a	n/a
December 31, 2021	17,248	17,248	-	n/a	n/a
Old Hire Police					
December 31, 2015	$ 16,262	$ 18,977	$ (2,715)	$ 102	18604.90%
December 31, 2016	5,027	5,027	-	n/a	n/a
December 31, 2017	7,988	7,988	-	n/a	n/a
December 31, 2018	7,988	7,988	-	n/a	n/a
December 31, 2019	8,803	8,803	-	n/a	n/a
December 31, 2020	8,803	8,803	-	n/a	n/a
December 31, 2021	10,686	10,686	-	n/a	n/a

Note: Information is not available prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Information presented in this schedule has been determined as of the City's most recent fiscal year end (December 31) in accordance with Governmental Accounting Standards Board Statement No. 68.

Note: Valuation date: Actuarially determined contributions rates are calculated as of January 1 of even numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2012, determines the contribution amounts for 2013 and 2014.

	Old Hire Fire	Old Hire Police
Methods and assumptions used to determine contribution rates:		
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization method	Level Dollar, Open	Level Dollar, Open
Remaining amortization period	15 Years	15 Years
Asset valuation method	5-Year smoothed market	5-Year smoothed market
Inflation	2.50%	2.50%
Salary increases	n/a	n/a
Investment rate of return	7.50%	7.50%
Retirement age	Any remaining actives are assumed to retire immediately.	Any remaining actives are assumed to retire immediately.
Mortality	Post-retirement: RP-2014 Combined Mortality Table, with Blue Collar Adjustment Disabled: RP-2014 Disabled Mortality Table. All tables projected with Scale BB.	Post-retirement: RP-2014 Combined Mortality Table, with Blue Collar Adjustment Disabled: RP-2014 Disabled Mortality Table. All tables projected with Scale BB.

Note: Changes in assumptions. The FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions at least every five years. Beginning in the 2016 valuations, the inflation assumption was reduced from 3.0% to 2.5%, the real return on investments was increased 5.0% for an overall nominal investment return of 7.5%, an explicit charge for administration expenses was added in the actuarial contribution calculation, the base mortality tables were revised with the explicit assumption for rising longevity in the future to reflect current mortality studies, and the expected incidence of total disability was increased.

Required Supplementary Information
Schedule of Changes in the City's Net Pension Liability and Related Ratios - FPPA Old Hire Fire

December 31, 2021 (dollars in thousands)

FPPA Old Hire Fire	2015	2016	2017	2018	2019	2020	2021
Total pension liability							
Service Cost	$-	$-	$-	$-	$-	$-	$-
Interest	34,596	34,026	35,748	35,214	34,880	34,233	31,286
Changes of benefit terms	-	-	-	-	-	-	-
Differences between actual and expected experience	-	(699)	-	3,533	-	787	-
Changes of assumptions	-	32,102	-	-	-	33,365	-
Benefit payments, including refunds of employee contributions	(42,249)	(42,134)	(42,834)	(42,893)	(43,529)	(43,462)	(43,460)
Net change in total pension liability	**(7,653)**	**23,295**	**(7,086)**	**(4,146)**	**(8,649)**	**24,923**	**(12,174)**
Total pension liability - beginning	482,022	474,369	497,664	490,578	486,432	477,783	502,706
Total pension liability - ending	**$474,369**	**$497,664**	**$490,578**	**$486,432**	**$477,783**	**$502,706**	**$490,532**
Plan fiduciary net position							
Contributions - employer	$13,944	$16,803	$13,061	$16,355	$16,355	$17,248	$17,248
Contributions - employee	7	7	8	8	3	-	-
Net investment income	23,465	6,174	17,084	44,879	531	37,862	31,818
Benefit payments, including refunds of employee contributions	(42,249)	(42,134)	(42,834)	(42,893)	(43,529)	(43,462)	(43,460)
Administrative expense	(545)	(488)	(518)	(146)	(175)	(155)	(162)
Net change in plan fiduciary net position	**(5,378)**	**(19,638)**	**(13,199)**	**18,203**	**(26,815)**	**11,493**	**5,444**
Plan fiduciary net position - beginning	354,255	348,877	329,238	316,039	334,242	307,427	318,920
Plan fiduciary net position - ending	**$348,877**	**$329,239**	**$316,039**	**$334,242**	**$307,427**	**$318,920**	**$324,364**
Net Pension Liability	**$125,492**	**$168,425**	**$174,539**	**$152,190**	**$170,356**	**$183,786**	**$166,168**
Plan fiduciary net position as a percentage of the total pension liability	73.55%	66.16%	64.42%	68.71%	64.34%	63.44%	66.12%
Covered payroll	87	90	90	96	n/a	n/a	n/a
Net pension liability as a percentage of covered payroll					-	-	-

Note: Information is not available prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Information presented in this schedule has been determined as of the City's measurement date (December 31 of the year prior to the most recent fiscal year) of the collective net pension liability in accordance with Governmental Accounting Standards Board Statement No. 68.

Required Supplementary Information

Schedule of Changes in the City's Net Pension Liability and Related Ratios - FPPA Old Hire Police

December 31, 2021 (dollars in thousands)

FPPA Old Hire Police	2015	2016	2017	2018	2019	2020	2021
Total pension liability							
Service Cost	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest	49,249	48,801	50,590	50,141	49,712	49,119	45,077
Changes of benefit terms	-	-	-	-	-	-	-
Differences between actual and expected experience	-	(12,201)	-	983	-	(4,065)	-
Changes of assumptions	-	43,358	-	-	-	51,530	-
Benefit payments, including refunds of employee contributions	(55,137)	(55,326)	(56,901)	(56,248)	(57,458)	(57,772)	(58,140)
Net change in total pension liability	**$ (5,888)**	**$ 24,632**	**$ (6,311)**	**$ (5,124)**	**$ (7,746)**	**$ 38,812**	**$ (13,063)**
Total pension liability - beginning	683,727	677,839	702,471	696,160	691,036	683,290	722,102
Total pension liability - ending	**$ 677,839**	**$ 702,471**	**$ 696,160**	**$ 691,036**	**$ 683,290**	**$ 722,102**	**$ 709,039**
Plan fiduciary net position							
Contributions - employer	$ 16,262	$ 18,089	$ 5,027	$ 7,988	$ 7,988	$ 8,803	$ 8,803
Contributions - employee	5	-	-	-	-	-	-
Net investment income	42,091	11,278	30,983	82,545	754	69,919	57,998
Benefit payments, including refunds of employee contributions	(55,137)	(55,326)	(56,901)	(56,248)	(57,458)	(57,772)	(58,140)
Administrative expense	(977)	(910)	(1,013)	(194)	(233)	(61)	(219)
Net change in plan fiduciary net position	**$ 2,244**	**$ (26,869)**	**$ (21,904)**	**$ 34,091**	**$ (48,949)**	**$ 20,889**	**$ 8,442**
Plan fiduciary net position - beginning	630,564	632,808	605,939	584,035	618,126	569,177	590,066
Plan fiduciary net position - ending	**$ 632,808**	**$ 605,939**	**$ 584,035**	**$ 618,126**	**$ 569,177**	**$ 590,066**	**$ 598,508**
Net Pension Liability	**$ 45,031**	**$ 96,532**	**$ 112,125**	**$ 72,910**	**$ 114,113**	**$ 132,036**	**$ 110,531**
Plan fiduciary net position as a percentage of the total pension liability	93.36%	86.26%	83.89%	89.45%	83.30%	81.72%	84.41%
Covered payroll	90	n/a	n/a	n/a	n/a	n/a	n/a
Net pension liability as a percentage of covered payroll	50070.05%	n/a	n/a	n/a	n/a	n/a	n/a

Note: Information is not available prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Information presented in this schedule has been determined as of the City's measurement date (December 31 of the year prior to the most recent fiscal year) of the collective net pension liability in accordance with Governmental Accounting Standards Board Statement No. 68.

Required Supplementary Information
Schedule of City's Proportionate Share of the Net OPEB Liability - DERP
December 31, 2021 (dollars in thousands)

	City's Proportion of the Net OPEB Liability	City's Proportionate Share of the Net OPEB Liability	City's Covered Payroll	City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
DERP					
December 31, 2018	93.36%	$ 78,593	$ 541,545	14.51%	45.98%
December 31, 2019	93.99%	98,309	542,111	18.13%	39.18%
December 31, 2020	95.08%	93,516	569,297	16.43%	42.16%
December 31, 2021	95.41%	92,610	586,482	15.79%	43.59%

Note: Information is not available prior to 2018. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Information presented in this schedule has been determined as of the City's measurement date (December 31 of the year prior to the most recent fiscal year) of the collective net pension liability in accordance with Governmental Accounting Standards Board Statement No. 75.

Note: Changes in assumptions. For the year ended December 31, 2021 the discount rate used to measure the total pension liability changed to 7.25% from 7.50% at December 31, 2019. For the year ended December 31, 2019 the discount rate used to measure the total pension liability changed to 7.50% from 7.75% at December 31, 2017. For the year ended December 31, 2017 the discount rate used to measure the total pension liability changed to 7.75% from 8.00% at December 31, 2015.

Required Supplementary Information
Schedule of City Contributions - DERP OPEB
December 31, 2021 (dollars in thousands)

	Statutorily Required Contributions	Contributions in Relation to Statutorily Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a % of Covered Payroll
DERP OPEB					
December 31, 2018	$ 4,651	$ 4,651	$ -	$ 542,111	0.86%
December 31, 2019	4,855	4,855	-	569,297	0.85%
December 31, 2020	5,288	5,288	-	586,482	0.90%
December 31, 2021	5,380	5,380	-	573,969	0.94%

Note: Information is not available prior to 2018. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Information presented in this schedule has been determined as of the City's most recent fiscal year end (December 31) in accordance with Governmental Accounting Standards Board Statement No. 75.

Note: Changes in assumptions. For the year ended December 31, 2021 the discount rate used to measure the total pension liability changed to 7.25% from 7.50%.

Required Supplementary Information
Schedule of Changes in the City's OPEB Liability - DERP Implicit Rate Subsidy

December 31, 2021 (dollars in thousands)

	Total OPEB Liability			
DERP Implicit Rate Subsidy	**2018**	**2019**	**2020**	**2021**
Balances as of January 1	$ 77,906	$ 78,593	$ 79,695	$ 87,351
Changes for the year:				
Service cost	2,548	2,742	2,615	3,462
Interest	2,926	2,788	3,243	2,401
Benefit changes	-	-	-	-
Differences between expected and actual experience	-	628	-	(6,420)
Transition to Entry Age Normal	-	-	-	-
Changes of assumptions	1,312	987	8,630	12,039
Benefit payments	(6,099)	(6,043)	(6,832)	(6,398)
Employee contributions	-	-	-	-
Employer contributions	-	-	-	-
Net investment income	-	-	-	-
Administrative expense	-	-	-	-
Total Changes	**$ 687**	**$ 1,102**	**$ 7,656**	**$ 5,084**
Balances as of December 31	**$ 78,593**	**$ 79,695**	**$ 87,351**	**$ 92,435**
Covered-employee payroll	**$ 541,545**	**$ 542,111**	**$ 569,297**	**$ 586,482**
OPEB liability as a percentage of covered-employee payroll	**14.51%**	**14.70%**	**15.34%**	**15.76%**

Note: Information is not available prior to 2018. In future reports additional years will be added until 10 years of historical are presented.

Note: Information presented in this schedule has been determined as of the City's measurement date (December 31 of the year prior to the most recent fiscal year) of the collective net pension liability in accordance with Governmental Accounting Standards Board Statement No. 75.

Note: For the December 31, 2021 OPEB Liability, Demographic actuarial assumptions were based on the 2018 experience study of the DERP using data from the five-year period ending December 31, 2017. The implicit subsidy valuation uses these same demographic assumptions, as published in the DERP January 2021 pension valuation, except for a different basis used to project future mortality improvement. For years ended December 31, 2020 and prior the latest experience study was conducted in 2013 covering the 5-year period of January 1, 2008 to December 31, 2012. At the time, the recommended mortality table was expected to produce a margin of 8% on the retired male mortality experience and 7% on the retired female experience (Source: Denver Employees Retirement Plan 2013 Actuarial Experience Study for the period ending December 31, 2012, page 24). No assets are accumulated in a trust to pay related benefits.

Required Supplementary Information
Schedule of City's Proportionate Share of the Net OPEB Liability - PERA HCTF

December 31, 2021 (dollars in thousands)

	City's Proportion of the Net OPEB Liability	City's Proportionate Share of the Net OPEB Liability	City's Covered Payroll	City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
PERA					
December 31, 2018	0.04%	$ 515	$ 3,155	16.32%	17.53%
December 31, 2019	0.04%	519	3,098	16.75%	17.09%
December 31, 2020	0.04%	417	3,145	13.26%	24.49%
December 31, 2021	0.04%	358	2,969	12.06%	32.83%

Note: Information is not available prior to 2018. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Information presented in this schedule has been determined as of the City's measurement date (December 31 of the year prior to the most recent fiscal year) of the collective net pension liability in accordance with Governmental Accounting Standards Board Statement No. 75.

Required Supplementary Information
Schedule of City Contributions - PERA HCTF OPEB

December 31, 2021 (dollars in thousands)

	Statutorily Required Contributions	Contributions in Relation to Statutorily Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a % of Covered Payroll
PERA OPEB					
December 31, 2018	$ 34	$ 34	$ -	$ 3,155	1.08%
December 31, 2019	35	35	-	3,098	1.13%
December 31, 2020	42	42	-	3,373	1.25%
December 31, 2021	49	49	-	3,374	1.45%

Note: Information is not available prior to 2018. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Information presented in this schedule has been determined as of the City's most recent fiscal year end (December 31) in accordance with Governmental Accounting Standards Board Statement No. 75.

Note: There were no benefit changes during the year.

Required Supplementary Information

Schedule of Changes in the City's Net OPEB Liability - Police Retiree Health Fund

December 31, 2021 (dollars in thousands)

	2018			2019			2020			2021		
PRHF	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances as of January 1	$ 11,394	$ 3,079	**$ 8,315**	$ 11,971	$ 3,874	**$ 8,097**	$ 15,536	$ 4,187	**$11,349**	$ 19,789	$ 5,721	**$14,068**
Changes for the year:												
Service cost	358	-	**358**	372	-	**372**	633	-	**633**	708	-	**708**
Interest	691	-	**691**	727	-	**727**	742	-	**742**	1,212	-	**1,212**
Benefit changes	-	-	**-**	-	-	**-**	-	-	**-**	-	-	**-**
Differences between expected and actual experience	-	-	**-**	(1,302)	-	**(1,302)**	3,612	-	**3,612**	(3,096)	-	**(3,096)**
Transition to Entry Age Normal	-	-	**-**	4,214	-	**4,214**	-	-	**-**	-	-	**-**
Changes of assumptions	-	-	**-**	(446)	-	**(446)**	(268)	-	**(268)**	-	-	**-**
Benefit payments	(472)	(473)	**1**	-	-	**-**	(466)	(466)	**-**	3,235	-	**3,235**
Employee contributions	-	-	**-**	-	955	**(955)**	-	-	**-**	(592)	(592)	**-**
Employer contributions	-	805	**(805)**	-	(196)	**196**	-	1,078	**(1,078)**	-	-	**-**
Net investment income	-	463	**(463)**	-	(446)	**446**	-	922	**(922)**	-	1,200	**(1,200)**
Administrative expense	-	-	**-**	-	-	**-**	-	-	**-**	-	551	**(551)**
Total Net Changes	**$ 577**	**$ 795**	**$ (218)**	**$ 3,565**	**$ 313**	**$ 3,252**	**$ 4,253**	**$ 1,534**	**$ 2,719**	**$ 1,467**	**$ 1,159**	**$ 308**
Balances as of December 31	**$ 11,971**	**$ 3,874**	**$ 8,097**	**$ 15,536**	**$ 4,187**	**$11,349**	**$ 19,789**	**$ 5,721**	**$14,068**	**$ 21,256**	**$ 6,880**	**$14,376**
Plan Fiduciary Net Position as a Percentage of Total Pension Liability			**32.36%**			**26.95%**			**28.91%**			**32.37%**
Covered-employee payroll			**n/a**			**n/a**			**n/a**			**n/a**
Net OPEB liability as a percentage of covered-employee payroll			**0.00%**			**0.00%**			**0.00%**			**0.00%**

Note: Information presented in this schedule has been determined as of the City's measurement date (December 31 of the year prior to the most recent fiscal year) of the collective net pension liability in accordance with Governmental Accounting Standards Board Statement No. 75.

Note: The maximum monthly benefit was increased from $200 to $250 effective January 1, 2020.

Required Supplementary Information
Schedule of City Contributions - Police Retiree Health Fund

December 31, 2021 (dollars in thousands)

	Statutorily Required Contributions	Contributions in Relation to Statutorily Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a % of Covered Payroll
Police Retiree Health Fund					
December 31, 2018	$ 955	$ 955	$ -	n/a	0.00%
December 31, 2019	1,078	1,078	-	n/a	0.00%
December 31, 2020	1,200	1,200	-	n/a	0.00%
December 31, 2021	840	840	-	n/a	0.00%

Note: Information is not available prior to 2018. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Information presented in this schedule has been determined as of the City's most recent fiscal year end (December 31) in accordance with Governmental Accounting Standards Board Statement No. 75.

Note: Changes of assumptions. The discount rate used to measure the December 31, 2020 total OPEB liability increased from 4.65% to 6.00%. The discount rate used to measure the December 31, 2021 total OPEB liability decreased from 6.00% to 5.15%.

Required Supplementary Information
Schedule of Changes in the City's OPEB Liability - Fire and Police Implicit Rate Subsidy
December 31, 2021 (dollars in thousands)

	Total OPEB Liability			
FPPA Implicit Rate Subsidy	**2018**	**2019**	**2020**	**2021**
Balances as of January 1	$ 40,128	$ 42,326	$ 46,280	$ 54,330
Changes for the year:				
Service cost	1,851	2,010	2,173	2,932
Interest	1,550	1,542	1,946	1,538
Benefit changes	-	-	-	-
Differences between expected and actual experience	-	630	-	(5,629)
Transition to Entry Age Normal	-	-	-	-
Changes of assumptions	768	1,857	6,117	3,146
Benefit payments	(1,971)	(2,085)	(2,186)	(2,269)
Employee contributions	-	-	-	-
Employer contributions	-	-	-	-
Net investment income	-	-	-	-
Administrative expense	-	-	-	-
Total Net Changes	**$ 2,198**	**$ 3,954**	**$ 8,050**	**$ (282)**
Balances as of December 31	**$ 42,326**	**$ 46,280**	**$ 54,330**	**$ 54,048**
Covered payroll	**$ 200,006**	**$ 214,697**	**$ 250,435**	**$ 263,790**
OPEB liability as a percentage of covered payroll	**21.16%**	**21.56%**	**21.69%**	**20.49%**

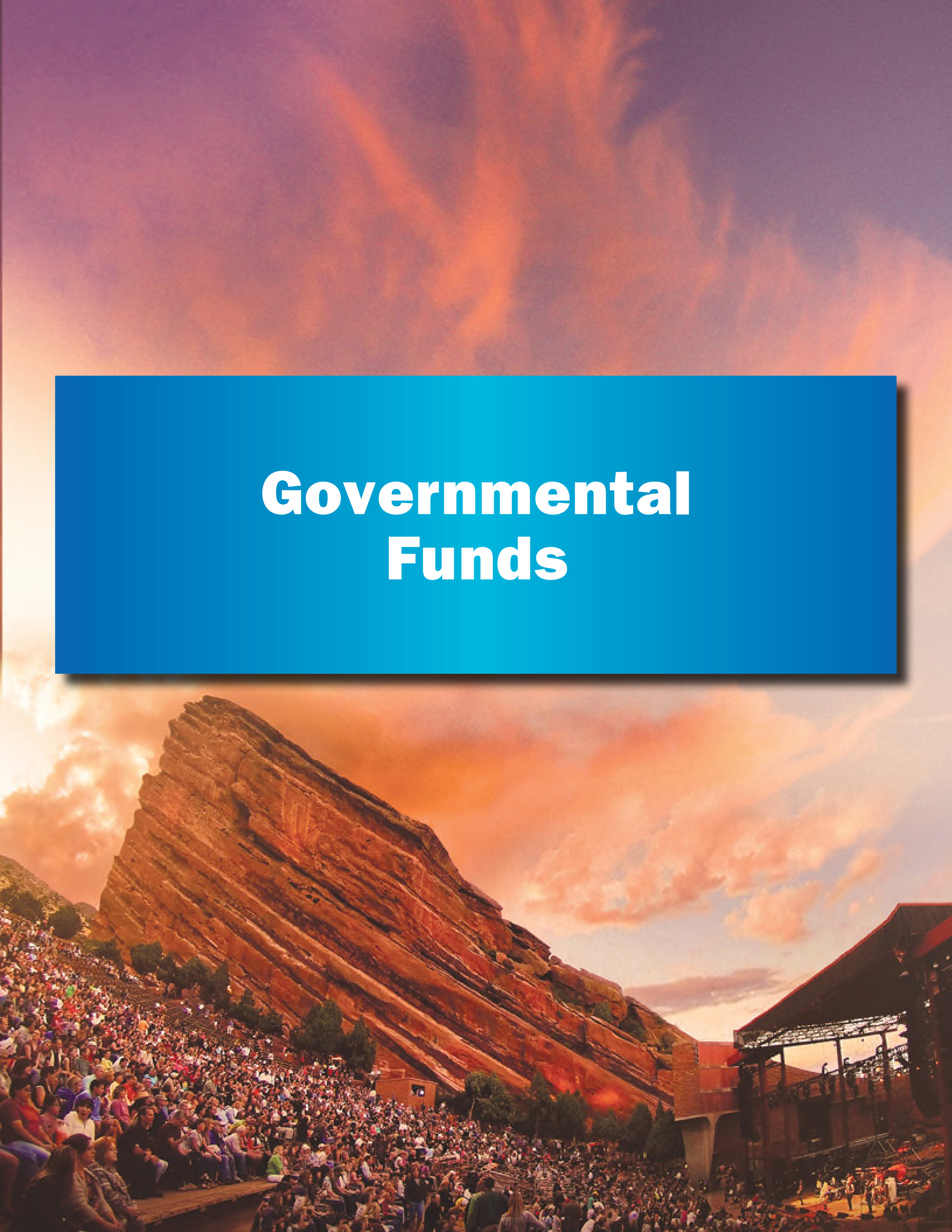
Note: Information is not available prior to 2018. In future reports additional years will be added until 10 years of historical are presented.

Note: Information presented in this schedule has been determined as of the City's measurement date (December 31 of the year prior to the most recent fiscal year) of the collective net pension liability in accordance with Governmental Accounting Standards Board Statement No. 75.

Note: Changes of assumptions. The discount rate used to measure the total OPEB liability was 3.56%, 4.11%, 2.74% and 2.12% for the years ended December 31, 2018, 2019, 2020 and 2021, respectively.

This page intentionally left blank

Governmental Funds



Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are operating funds used to account for the proceeds of specific revenue sources that are intended for specific purposes other than special assessments or major capital projects.

- **General Government -** to account for the proceeds of revenue not specifically accounted for in another special revenue fund.
- **Public Safety -** to account for the proceeds of revenue to be used for public safety purposes.
- **Health -** to account for the proceeds of revenue to be used for expenditures in connection with health related purposes and activities.
- **Culture and Recreation -** to account for the proceeds of revenue to be used in providing culture and recreation services.
- **Community Development -** to account for the proceeds of revenue to be used for community development purposes and activities.
- **Economic Opportunity -** to account for the proceeds of revenue to be used in providing economic opportunity services.
- **Special Funds -** to account for resources by agreement for various purposes.
- **General Improvement Districts -** to account for the financial resources segregated for the financing of improvements of properties within the general improvement districts.

Debt Service Funds

Debt service funds are used to account for the payment of principal and interest on long-term debt. Debt Service revenues are from taxes and other operating revenues, some of which are pledged specifically to repay certain outstanding bond issues.

- **Bond Principal -** to account for resources used for the payment of principal on governmental long-term debt.
- **Bond Interest** - to account for resources used for the payment of interest on governmental long-term debt.
- **Excise Tax Revenue Bond -** to account for the accumulation of funds for the payment of principal and interest on the Excise Tax Revenue bonds.
- **General Improvement Districts** - to account for the financial activities associated with the payment of principal and interest on General Improvement District general obligation bonds.

Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

- **Winter Park Capital Fund -** to account for financial resources from the Winter Park Trust.
- **Capital Improvements -** to account for financial resources segregated for the acquisition of major capital projects of the City other than those financed by bond projects, other capital projects, enterprise funds, and internal service funds.
- **Conservation Trusts -** to account for the proceeds from State Lottery Funds, investment earnings, and refunds; all used for parks and recreation capital improvements.
- **Other Capital Projects -** to account for financial resources segregated for the financing of major capital projects for which grant or other funds will be used.
- **Entertainment and Culture -** to account for surplus seat tax used for capital improvements to entertainment and cultural facilities owned by the City that generate seat taxes.
- **Special Assessments -** to account for the financing of improvements and maintenance deemed to benefit properties against which special assessments are levied.
- **General Improvements Districts -** to account for capital improvements related to properties within the general improvement districts.

Permanent Fund

- **Cableland Trust -** to account for resources by ordinance to be used to maintain the residence known as Cableland.

Governmental Individual Fund Schedules and Statements

- **General Fund and Human Services Special Revenue Fund -** Schedules of Expenditures Compared with Authorizations.
- **General Fund -** Comparative Balance Sheets and Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance.

Combining Balance Sheet - Nonmajor Governmental Funds

December 31, 2021 (Dollars In Thousands)

	Special Revenue	Debt Service	Capital Projects	Cableland Trust	Total
Assets					
Cash on hand	$ 5,462	$ -	$ -	$ -	$ 5,462
Cash and cash equivalents	412,972	203,191	585,572	3,335	1,205,070
Receivables, net					
Taxes	91,543	151,053	98,776	-	341,372
Notes	74,364	-	-	-	74,364
Accounts	25,215	45	2,609	-	27,869
Accrued Interest	1,878	886	2,103	63	4,930
Interfund receivable	99	-	32	-	131
Due from other governments	140,663	-	21,161	-	161,824
Prepaid items and other assets	277	-	2,347	-	2,624
Restricted assets:					
Cash and cash equivalents	36	385	64,502	-	64,923
Prepaid expense - non-current	-	815	-	-	815
Total Assets	**$ 752,509**	**$ 356,375**	**$ 777,102**	**$ 3,398**	**$ 1,889,384**
Liabilities, Deferred Inflows of Resources, And Fund Balances					
Liabilities:					
Vouchers payable	$ 65,024	$ -	$ 44,830	$ -	$ 109,854
Accrued liabilities	2,198	-	6	-	2,204
Interfund payable	13,811	-	1,356	-	15,167
Unearned revenue	198,430	-	3,382	-	201,812
Advances	2,289	-	-	-	2,289
Compensated absences	67	-	-	-	67
Total Liabilities	**281,819**	**-**	**49,574**	**-**	**331,393**
Deferred inflows of resources:					
Unavailable revenues - property tax	61,493	143,424	97,634	-	302,551
Unavailable revenues - long-term receivables	12,347	-	706	-	13,053
Total Deferred Inflows Of Resources	**73,840**	**143,424**	**98,340**	**-**	**315,604**
Fund Balances:					
Nonspendable	278	815	2,347	3,000	6,440
Restricted	388,917	212,136	626,841	398	1,228,292
Committed	18,465	-	-	-	18,465
Assigned	1,538	-	-	-	1,538
Unassigned	(12,348)	-	-	-	(12,348)
Total Fund Balances	**396,850**	**212,951**	**629,188**	**3,398**	**1,242,387**
Total Liabilities, Deferred Inflows of Resources, And Fund Balances	**$ 752,509**	**$ 356,375**	**$ 777,102**	**$ 3,398**	**$ 1,889,383**

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds

For the Year Ended December 31, 2021 (dollars in thousands)

	Special Revenue	Debt Service	Capital Projects	Cableland Trust	Total
Revenues					
Taxes:					
Facilities development admissions	$ -	$ -	$ 12,760	$ -	$ 12,760
Lodgers	24,655	37,104	4,172	-	65,931
Property	64,647	135,634	92,468	-	292,749
Sales and use	231,490	45,524	-	-	277,014
Specific ownership	88	-	-	-	88
Telephone	14,514	-	-	-	14,514
Special assessments	-	-	1,285	-	1,285
Licenses and permits	1,275	-	523	-	1,798
Intergovernmental revenues	265,142	-	66,940	-	332,082
Charges for services	96,076	-	363	-	96,439
Investment and interest income (loss)	3,360	(589)	(3,765)	(62)	(1,056)
Fines and forfeitures	335	-	-	-	335
Contributions	11,149	-	6,860	-	18,009
Other revenue	25,675	6,718	25,419	-	57,811
Total Revenues	**738,406**	**224,391**	**207,025**	**(62)**	**1,169,760**
Expenditures					
Current:					
General government	192,300	52	20,744	-	213,095
Public safety	95,790	-	143	-	95,933
Transportation and infrastructure	3,714	-	106,348	-	110,062
Health	74,086	-	5,617	-	79,703
Parks and recreation	9,044	-	12,191	-	21,235
Cultural activities	57,948	-	9,824	-	67,772
Community development	115,001	-	1,347	-	116,348
Economic development	13,567	-	-	-	13,567
Debt service:					
Principal retirement	7,055	119,469	8,230	-	134,754
Interest	1,461	51,349	7,260	-	60,070
Capital outlay	481	-	115,036	-	115,517
Total Expenditures	**570,447**	**170,870**	**286,740**	**-**	**1,028,057**
Excess (deficiency) of revenues over (under) expenditures	167,959	53,521	(79,715)	(62)	141,703
Other Financing Sources (Uses)					
Sale of capital assets	-	-	130	-	130
Issuance of capital leases	-	-	14,812	-	14,812
Insurance recoveries	319	-	21	-	340
Capital asset transfer	(279)	-	-	-	(279)
Transfers in	16,801	33,432	85,835	-	136,068
Transfers out	(72,468)	(66,618)	(11,531)	(190)	(150,807)
Total Other Financing Sources (Uses)	**(55,627)**	**(33,186)**	**89,267**	**(190)**	**264**
Net change in fund balances	112,332	20,335	9,552	(252)	141,967
Fund balances - January 1	284,518	192,616	619,636	3,650	1,100,420
Fund Balances - December 31	**$ 396,850**	**$ 212,951**	**$ 629,188**	**$ 3,398**	**$ 1,242,387**

This page intentionally left blank

Combining Balance Sheet - Nonmajor Special Revenue Funds

December 31, 2021 (dollars in thousands)

	General Government	Public Safety	Health
Assets			
Cash On Hand	$ -	$ -	$ -
Cash And Cash Equivalents	159,165	26,572	27,791
Receivables, net			
Taxes	11,467	49,914	7,163
Notes	8,630	-	-
Accounts	1,221	5,593	95
Accrued Interest	1,438	8	95
Interfund Receivable	-	-	-
Due From Other Governments	108,325	6,419	5,628
Prepaid Items And Other Assets	-	-	-
Restricted Assets:			
Cash And Cash Equivalents	-	-	-
Total Assets	**$ 290,246**	**$ 88,506**	**$ 40,772**
Liabilities, Deferred Inflows Of Resources, And Fund Balances			
Liabilities:			
Vouchers Payable	$ 27,874	$ 2,125	$ 9,619
Accrued Liabilities	352	443	315
Interfund Payable	1,384	-	-
Unearned Revenue	184,948	4,446	1,762
Advances	-	27	-
Compensated Absences	67	-	-
Total Liabilities	**214,625**	**7,041**	**11,696**
Deferred Inflows Of Resources:			
Unavailable Revenues - Property Tax	-	50,281	-
Unavailable Revenues - Long-Term Receivables	-	483	-
Total Deferred Inflows Of Resources	**-**	**50,764**	**-**
Fund Balances:			
Nonspendable	-	-	-
Restricted	75,621	30,701	29,076
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total Fund Balances	**75,621**	**30,701**	**29,076**
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	**$ 290,246**	**$ 88,506**	**$ 40,772**

Culture and Recreation	Community Development	Economic Opportunity	Special Funds	General Improvement Districts	Total
$ 5,462	$ -	$ -	$ -	$ -	$ 5,462
92,544	91,544	-	13,885	1,471	412,972
5,426	14,472	-	1,049	2,052	91,543
-	56,598	9,136	-	-	74,364
6,641	3	121	11,425	116	25,215
154	124	-	59	-	1,878
-	-	99	-	-	99
1,385	12,732	6,174	-	-	140,663
268	-	-	-	9	277
-	-	-	6	30	36
$ 111,880	**$ 175,473**	**$ 15,530**	**$ 26,424**	**$ 3,678**	**$ 752,509**
$ 8,097	$ 14,481	$ 2,767	$ 42	$ 19	$ 65,024
467	141	246	234	-	2,198
25	-	12,402	-	-	13,811
4,425	2,849	-	-	-	198,430
2,262	-	-	-	-	2,289
-	-	-	-	-	67
15,276	**17,471**	**15,415**	**276**	**19**	**281,819**
-	9,160	-	-	2,052	61,493
286	-	-	11,578	-	12,347
286	**9,160**	**-**	**11,578**	**2,052**	**73,840**
268	-	-	-	10	278
77,585	148,842	12,463	14,570	59	388,917
18,465	-	-	-	-	18,465
-	-	-	-	1,538	1,538
-	-	(12,348)	-	-	(12,348)
96,318	**148,842**	**115**	**14,570**	**1,607**	**396,850**
$ 111,880	**$ 175,473**	**$ 15,530**	**$ 26,424**	**$ 3,678**	**$ 752,509**

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2021 (dollars in thousands)

	General Government	Public Safety	Health
Revenues			
Taxes:			
Lodgers	$ 24,655	$ -	$ -
Property	6,672	47,495	-
Sales and use	81,679	-	56,026
Specific ownership	-	-	-
Telephone	-	-	-
Licenses and permits	1,273	-	-
Intergovernmental revenues	188,339	17,325	19,064
Charges for services	12,236	14,208	45
Investment and interest income (loss)	3,450	210	368
Fines and forfeitures	-	335	-
Contributions	2,388	4,250	1,029
Other revenue	148	373	86
Total Revenues	**320,840**	**84,196**	**76,618**
Expenditures			
Current:			
General government	186,282	-	-
Public safety	9,018	78,097	-
Public works	3,714	-	-
Health	4,560	-	69,526
Parks and recreation	514	-	-
Cultural activities	1,622	-	-
Community development	57,412	-	-
Economic development	889	-	-
Debt service:			
Principal retirement	-	-	-
Interest	-	-	-
Capital outlay	-	-	-
Total Expenditures	**264,011**	**78,097**	**69,526**
Excess (deficiency) of revenues over (under) expenditures	56,829	6,099	7,092
Other Financing Sources (Uses)			
Insurance recoveries	-	-	-
Capital asset transfer	-	-	-
Transfers in	-	-	-
Transfers out	(24,300)	-	(1)
Total Other Financing Sources (Uses)	**(24,300)**	**-**	**(1)**
Net change in fund balances	32,529	6,099	7,091
Fund balances - January 1	43,092	24,602	21,985
Fund Balances - December 31	**$ 75,621**	**$ 30,701**	**$ 29,076**

Culture and Recreation	Community Development	Economic Opportunity	Special Funds	General Improvement Districts	Total
$ -	$ -	$ -	$ -	-	$ 24,655
-	8,672	-	-	1,808	64,647
42,445	51,340	-	-	-	231,490
-	-	-	-	88	88
-	-	-	14,514	-	14,514
2	-	-	-	-	1,275
11,273	13,324	15,817	-	-	265,142
54,065	14,652	-	870	-	96,076
284	(814)	-	(139)	1	3,360
-	-	-	-	-	335
1,879	1,482	121	-	-	11,149
18,863	(213)	1,028	5,375	15	25,675
128,811	**88,443**	**16,966**	**20,620**	**1,912**	**738,406**
33	-	4,578	-	1,407	192,300
-	-	-	8,675	-	95,790
-	-	-	-	-	3,714
-	-	-	-	-	74,086
8,530	-	-	-	-	9,044
56,326	-	-	-	-	57,948
-	57,589	-	-	-	115,001
-	-	12,678	-	-	13,567
-	-	-	7,055	-	7,055
-	-	-	1,461	-	1,461
467	14	-	-	-	481
65,356	**57,603**	**17,256**	**17,191**	**1,407**	**570,447**
63,455	30,840	(290)	3,429	505	167,959
319	-	-	-	-	319
-	(279)	-	-	-	(279)
7,206	4,202	-	5,393	-	16,801
(41,728)	-	-	(6,438)	(1)	(72,468)
(34,203)	**3,923**	**-**	**(1,045)**	**(1)**	**(55,627)**
29,252	34,763	(290)	2,384	504	112,332
67,066	114,079	405	12,186	1,103	284,518
$ 96,318	**$ 148,842**	**$ 115**	**$ 14,570**	**1,607**	**$ 396,850**

Combining Balance Sheet - Nonmajor Debt Service Funds

December 31, 2021 (dollars in thousands)

	Bond Principal	Bond Interest	Excise Tax Revenue Bond	General Improvement Districts	Total
Assets					
Cash and cash equivalents	$ 59,788	$ 40,367	$ 103,036	$ -	$ 203,191
Receivables, net					
Taxes	120,560	21,916	8,577	-	151,053
Accounts	38	7	-		45
Accrued interest	-	373	513	-	886
Restricted assets:					
Cash and cash equivalents	-	-	-	385	385
Prepaid expense - non-current	-	-	815	-	815
Total Assets	**$ 180,386**	**$ 62,663**	**$ 112,941**	**$ 385**	**$ 356,375**
Liabilities, Deferred Inflows of Resources, and Fund Balances					
Accrued Liabilities	$ -	$ -	$ -	$ -	$ -
Total Liabilities Balance	**-**	**-**	**-**	**-**	**-**
Deferred Inflows of Resources:					
Unavailable revenues - property tax	121,363	22,061	-	-	143,424
Total of Deferred Inflows of Resources	**121,363**	**22,061**	**-**	**-**	**143,424**
Fund Balances:					
Nonspendable	-	-	815	-	815
Restricted	59,023	40,602	112,126	385	212,136
Total Fund Balances	**59,023**	**40,602**	**112,941**	**385**	**212,951**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 180,386**	**$ 62,663**	**$ 112,941**	**$ 385**	**$ 356,375**

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Debt Service Funds

For the Year Ended December 31, 2021 (dollars in thousands)

	Bond Principal	Bond Interest	Excise Tax Revenue Bond	General Improvement Districts	Total
Revenues					
Taxes:					
Lodgers	$ -	$ -	$ 37,104	$ -	$ 37,104
Property	114,424	20,728	-	482	135,634
Sales and use	-	-	45,524	-	45,524
Investment and interest income (loss)	-	(161)	(428)	-	(589)
Other revenue	-	6,718	-	-	6,718
Total Revenues	**114,424**	**27,285**	**82,200**	**482**	**224,391**
Expenditures					
Current:					
General Government	-	13	37	2	52
Debt service:					
Principal retirement	104,910	-	14,260	299	119,469
Interest	-	29,133	22,050	166	51,349
Total Expenditures	**104,910**	**29,146**	**36,347**	**467**	**170,870**
Excess (deficiency) of revenues over (under) expenditures	9,514	(1,861)	45,853	15	53,521
Other Financing (Uses)					
Transfers in	-	-	33,432	-	33,432
Transfers out	-	-	(66,618)	-	(66,618)
Total Other Financing (Uses)	**-**	**-**	**(33,186)**	**-**	**(33,186)**
Net change in fund balances	9,514	(1,861)	12,667	15	20,335
Fund balances - January 1	49,509	42,463	100,274	370	192,616
Fund Balances - December 31	**$ 59,023**	**$ 40,602**	**$ 112,941**	**$ 385**	**$ 212,951**

Combining Balance Sheet - Nonmajor Capital Projects Funds

December 31, 2021 (dollars in thousands)

	Winter Park Capital Fund	Capital Improvements	Conservation Trusts
Assets			
Cash and cash equivalents	$ 10,919	$ 303,886	$ 26,645
Receivables (net of allowances for uncollectibles of $4,391):			
Taxes	-	96,988	-
Accounts	-	1,903	-
Accrued interest	29	1,127	261
Interfund receivable	-	32	-
Due from other governments	-	-	-
Prepaid items and other assets	-	24	-
Restricted assets:			
Cash and Cash Equivalents	-	-	-
Total Assets	**$ 10,948**	**$ 403,960**	**$ 26,906**
Liabilities, Deferred Inflow of Resources, and Fund Balances			
Liabilities:			
Vouchers payable	$ 585	$ 23,418	$ 1,247
Accrued liabilities	-	-	-
Interfund payable	-	1,002	354
Unearned revenue	-	-	-
Total Liabilities	**585**	**24,420**	**1,601**
Deferred Inflow of Resources:			
Unavailable revenues - property tax	-	97,634	-
Unavailable revenues - long-term receivables	-	-	-
Total Deferred Inflows of Resources	**-**	**97,634**	**-**
Fund Balances:			
Nonspendable	-	24	-
Restricted	10,363	281,882	25,305
Total Fund Balances	**10,363**	**281,906**	**25,305**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 10,948**	**$ 403,960**	**$ 26,906**

Other Capital Projects	Entertainment and Culture	Special Assessments	General Improvement Districts	Total
$ 226,344	$ 14,741	$ 3,037	$ -	$ 585,572
431	1,356	1	-	98,776
706	-	-	-	2,609
618	57	11	-	2,103
-	-	-	-	32
21,161	-	-	-	21,161
1,896	-	427	-	2,347
64,502	-	-	-	64,502
$ 315,658	**$ 16,154**	**$ 3,476**	**$ -**	**$ 777,102**
$ 18,723	$ 857	$ -	$ -	$ 44,830
6	-	-	-	6
-	-	-	-	1,356
3,381	-	1	-	3,382
22,110	**857**	**1**	**-**	**49,574**
-	-	-	-	97,634
706	-	-	-	706
706	**-**	**-**	**-**	**98,340**
1,896	-	427	-	2,347
290,946	15,297	3,048	-	626,841
292,842	**15,297**	**3,475**	**-**	**629,188**
$ 315,658	**$ 16,154**	**$ 3,476**	**$ -**	**$ 777,102**

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Capital Projects Funds

For the Year Ended December 31, 2021 (dollars in thousands)

	Winter Park Capital Fund	Capital Improvements	Conservation Trusts
Revenues			
Taxes:			
Facilities development admissions	$ -	$ -	$ -
Lodgers	-	-	-
Property	-	92,468	-
Licenses and permits	-	-	-
Special assessments	-	-	-
Intergovernmental revenues	-	11,864	8,663
Charges for services	-	163	-
Investment and interest income (loss)	(120)	(1,930)	(599)
Contributions	-	-	-
Other revenue	-	9	-
Total Revenues	**(120)**	**102,574**	**8,064**
Expenditures			
Current:			
General government	-	17,945	-
Public Safety	-	-	-
Transportation and infrastructure	-	76,112	-
Health	-	5,617	-
Parks and recreation	863	1,903	3,722
Cultural activities	-	3,863	-
Community development	-	1,301	-
Debt service:			
Principal retirement	-	6,105	-
Interest	-	1,236	-
Capital outlay	2,823	9,402	2,384
Total Expenditures	**3,686**	**123,484**	**6,106**
Excess (deficiency) of revenues over (under) expenditures	(3,806)	(20,910)	1,958
Other Financing Sources (Uses)			
Sale of capital assets	-	130	-
Issuance of capital leases	-	-	-
Insurance recoveries	-	-	-
Transfers in	3,425	32,059	-
Transfers out	-	(582)	-
Total Other Financing Sources (Uses)	**3,425**	**31,607**	**-**
Net change in fund balances	(381)	10,697	1,958
Fund balances - January 1	10,744	271,209	23,347
Fund Balances - December 31	**$ 10,363**	**$ 281,906**	**$ 25,305**

Other Capital Projects	Entertainment and Culture	Special Assessments	General Improvement Districts	Total
$ 1,011	$ 11,749	$ -	$ -	$ 12,760
4,172	-	-	-	4,172
-	-	-	-	92,468
523	-	-	-	523
128	-	1,157	-	1,285
46,413	-	-	-	66,940
200	-	-	-	363
(559)	(557)	-	-	(3,765)
6,860	-	-	-	6,860
25,410	-	-	-	25,419
84,158	**11,192**	**1,157**	**-**	**207,025**
2,421	378	-	-	20,744
143	-	-	-	143
28,991	-	1,244	1	106,348
-	-	-	-	5,617
5,099	604	-	-	12,191
1,656	4,305	-	-	9,824
-	46	-	-	1,347
2,125	-	-	-	8,230
6,024	-	-	-	7,260
98,593	1,834	-	-	115,036
145,052	**7,167**	**1,244**	**1**	**286,740**
(60,894)	4,025	(87)	(1)	(79,715)
-	-	-	-	130
14,812	-	-	-	14,812
-	-	21	-	21
50,350	-	-	1	85,835
(2,266)	(8,683)	-	-	(11,531)
62,896	**(8,683)**	**21**	**1**	**89,267**
2,002	(4,658)	(66)	-	9,552
290,840	19,955	3,541	-	619,636
$ 292,842	**$ 15,297**	**$ 3,475**	**$ -**	**$ 629,188**

Schedule of Expenditures Compared with Authorizations - General Fund

For the Year Ended December 31, 2021 (dollars in thousands)

	2021 Annual Authorizations After Revisions	Budget Basis Expenditures	Authorized Balance
General Government			
Mayor's Office	$ 2,284	$ 2,027	$ 257
Civic Events	957	941	16
Office of Climate Action, Sustainability, and Resiliency	4,081	2,973	1,108
Office of Special Events	725	704	21
Education/Advocacy Initiatives	4,084	3,895	189
Public Defenders Office	2,440	2,350	90
City Council	6,852	6,527	325
Board of Ethics	186	184	2
Office of Human Resources	19,250	18,252	998
Career Service Authority Hearing Office	633	527	106
City Attorney	37,624	35,507	2,117
Clerk and Recorder	10,106	8,896	1,210
Board of Adjustment	359	349	10
Human Rights and Community Partnerships	5,497	5,182	315
General Services	52,624	52,057	567
Auditor	10,529	9,508	1,021
Department of Finance	97,941	94,336	3,605
Special Payments	32,978	31,378	1,600
Unemployment Insurance	1,200	446	754
Adams Mark Tax Increment	475	332	143
Annual Rental Payments	1,164	1,292	(128)
Denver Public Schools Mill Levy	2,243	2,154	89
Excise and Licenses	4,749	4,234	515
Technology Services	76,362	74,216	2,146
Office of Economic Development	12,994	11,879	1,115
Total General Government	**$ 388,337**	**$ 370,146**	**$ 18,191**
Public Safety			
Safety Administration	$ 27,170	$ 26,261	$ 909
Civil Service Commission	1,764	1,594	170
County Court	26,913	26,534	379
District Attorney	28,674	28,068	606
Emergency Management	1,466	1,458	8
Fire	105,712	108,711	(2,999)
Independent Monitor	1,948	1,566	382
Police	243,403	240,863	2,540
Undersheriff	146,091	140,241	5,850
Total Public Safety	**$ 583,141**	**$ 575,296**	**$ 7,845**

continued

Schedule of Expenditures Compared with Authorizations - General Fund - continued

For the Year Ended December 31, 2021 (dollars in thousands)

	2021 Annual Authorizations After Revisions	Budget Basis Expenditures	Authorized Balance
Transportation and Infrastructure	$ 130,563	$ 133,432	$ (2,869)
Total Transportation and Infrastructure	**$ 130,563**	**$ 133,432**	**$ (2,869)**
Human Services	$ 6,053	$ 2,712	$ 3,341
Total Human Services	**$ 6,053**	**$ 2,712**	**$ 3,341**
Health			
Environmental Health	$ 20,725	$ 17,545	$ 3,180
City Payments to Health Authority	30,671	29,076	1,595
Clinic	2,327	1,720	607
Poison Center	157	132	25
Total Health	**$ 53,880**	**$ 48,473**	**$ 5,407**
Parks and Recreation	$ 79,771	$ 68,491	$ 11,280
Total Parks and Recreation	**$ 79,771**	**$ 68,491**	**$ 11,280**
Cultural Activities			
Arts and Venues	$ 2,638	$ 2,638	$ -
Denver Public Library	47,684	45,003	2,681
Total Cultural Activities	**$ 50,322**	**$ 47,641**	**$ 2,681**
Community Development	$ 58,358	$ 52,880	$ 5,478
Total Community Development	**$ 58,358**	**$ 52,880**	**$ 5,478**
Economic Development	$ 1,619	$ 1,619	$ -
Total Economic Development	**$ 1,619**	**$ 1,619**	**$ -**
Total	**$ 1,352,044**	**$ 1,300,690**	**$ 51,354**

Schedule of Expenditures Compared with Authorizations - Human Services Special Revenue Fund

For the Year Ended December 31, 2021 (dollars in thousands)

		2021 Annual Authorizations After Revisions	Budget Basis Expenditures	Authorized Balance
Grants - Currently Active				
13001	Federal	$ 991	$ 991	$ -
13007	Community Service	1,396	1,396	-
13501	State Grants	182	182	-
13601	Human Services Privately Funded	120	120	-
State/County Welfare				
13005	Child Welfare	43,170	36,559	6,611
13008	County Public Welfare	108,470	90,115	18,355
13017	Child Care	4,498	3,374	1,124
13301	Prenatal Fees Incentive	319	319	-
13302	Aid to the Blind	-	-	-
13303	Aid to the Needy Disabled	1,000	299	701
13304	Board for Developmentally Disabled	18,630	18,630	-
13305	General Assistance	983	813	170
13306	Local Funded Community Service	-	-	-
City and Other Projects				
13502	Integrated Care Management Incentive	338	338	-
13706	DHS Volunteer Services	3	3	-
13811	Assistance Incentive Program	250	250	-
Total		**$ 180,350**	**$ 153,389**	**$ 26,961**

Comparative Balance Sheets - General Fund

December 31, 2021 and 2020 (dollars in thousands)

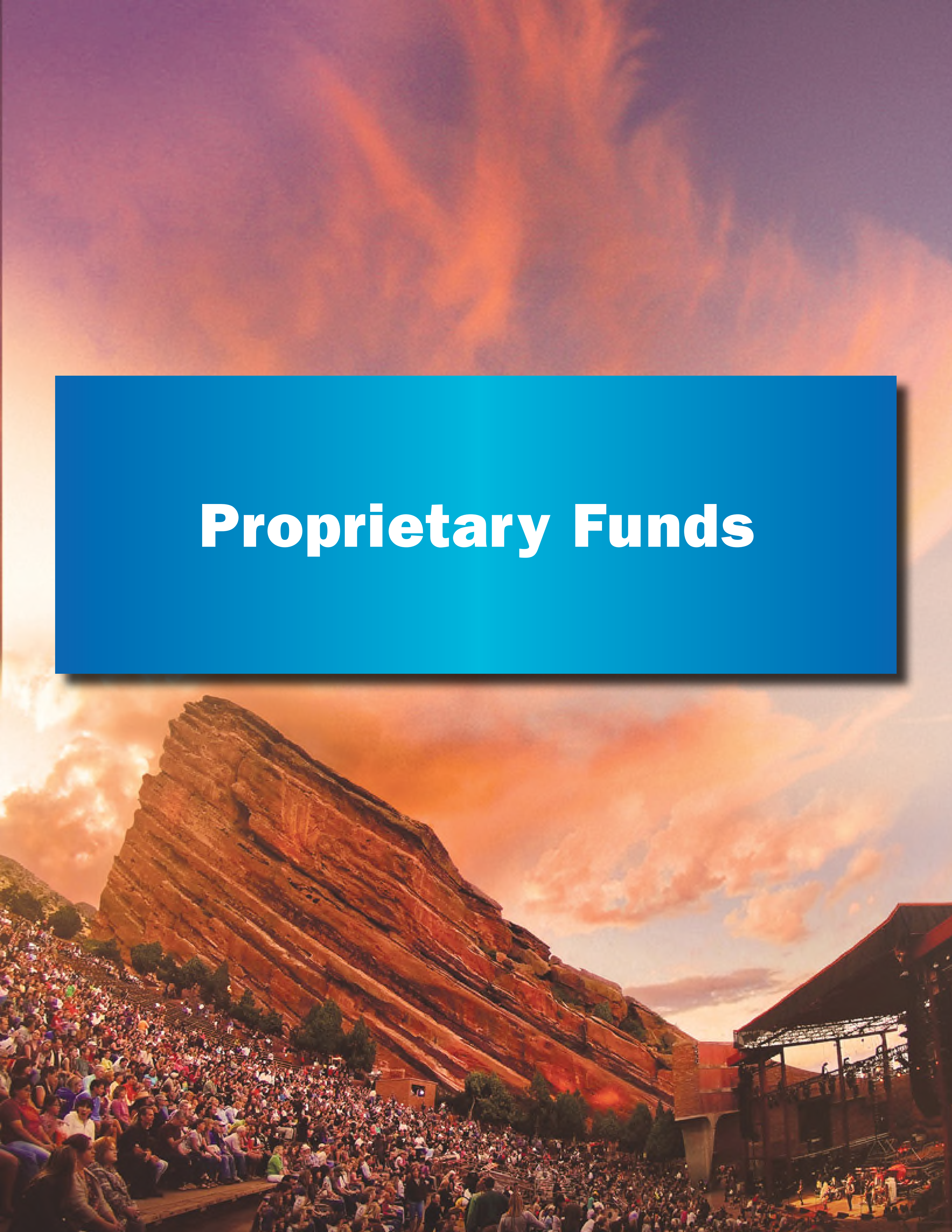
	Totals December 31	
	2021	**2020**
Assets		
Cash on hand	$ 195	$ 183
Cash and cash equivalents	355,628	243,788
Receivables (net of allowances for uncollectibles of $58,839 and $69,127):		
Taxes	269,817	242,482
Notes	3,388	2,677
Accounts	31,033	28,432
Accrued interest	1,429	2,162
Interfund receivable	50,535	19,059
Due from other governments	-	3
Prepaid items and other assets	14,231	14,254
Restricted assets:		
Cash and cash equivalents	20,351	20,044
Total Assets	**$ 746,607**	**$ 573,084**
Liabilities, Deferred Inflows of Resources, and Fund Balances		
Liabilities:		
Vouchers payable	$ 55,756	$ 43,725
Accrued liabilities	49,623	55,240
Due to taxing units	504	416
Interfund payable	2,277	1,147
Unearned revenue	-	606
Advances	107	98
Total Liabilities	**108,267**	**101,232**
Deferred Inflows of Resources:		
Unavailable revenues - property tax	182,453	167,016
Unavailable revenues - long-term receivables	15,450	14,956
Total Deferred Inflows of Resources	**197,903**	**181,972**
Fund Balance:		
Nonspendable	14,231	14,254
Restricted	81,161	71,056
Committed	76,472	41,555
Unassigned	268,573	163,016
Total Fund Balance	**440,437**	**289,881**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 746,607**	**$ 573,085**

Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance - General Fund

For the Years Ended December 31, 2021 and 2020 (dollars in thousands)

	Totals December 31	
	2021	**2020**
Revenues		
Taxes:		
Lodgers	$ 24,765	$ 13,400
Motor vehicle ownership	28,988	25,921
Occupational privilege	52,319	50,669
Property	164,429	152,554
Sales and use	802,273	638,796
Telephone	536	1,206
Licenses and permits	67,135	62,032
Intergovernmental revenues	39,424	41,263
Charges for services	194,768	181,083
Investment and interest income	712	29,335
Fines and forfeitures	37,196	30,197
Contributions	309	269
Other revenue	11,446	9,296
Total Revenues	**1,424,300**	**1,236,021**
Expenditures		
Current:		
General government	352,408	328,610
Public safety	574,704	629,422
Public works	132,180	148,705
Human Services	2,712	1,350
Health	48,472	57,646
Parks and recreation	68,200	68,916
Cultural activities	47,641	52,133
Community development	52,880	51,170
Economic opportunity	1,619	1,773
Principal retirement	14,044	12,991
Interest	5,831	6,995
Total Expenditures	**1,300,691**	**1,359,711**
Excess (deficiency) of revenues over (under) expenditures	123,609	(123,690)
Other Financing Sources (Uses)		
Sale of capital assets	73	-
Issuance of certificates of participation	-	19,670
Issuance of capital leases	-	3,341
Payment to paying agent	-	(19,511)
Insurance recoveries	789	574
Transfers in	45,772	58,003
Transfers out	(19,687)	(18,571)
Total Other Financing Sources (Uses)	**26,947**	**159**
Net change in fund balance	150,556	(80,184)
Fund balances - January 1, as previously reported	289,881	370,081
Implementation of GASB Satement No. 84	-	(16)
Fund balances - January 1, as restated	289,881	370,065
Fund Balance - December 31	**$ 440,437**	**$ 289,881**

Proprietary Funds



Proprietary Funds

Proprietary funds are a group of funds that account for activities that are often seen in the private sector and are operated in a similar manner as in the private sector.

Enterprise Funds

- **Environmental Services -** to account for the operation and activity of the City's chemical waste disposal, phase out of hazardous materials disposal sites, and litter prevention.
- **Golf Course -** to account for the administration, operation, maintenance and improvement of City-owned golf facilities.

Internal Service Funds

- **Asphalt Plant -** to account for the expenditures and revenues of the City's Asphalt Plant that provides a service to the metropolitan Denver area and is an essential element in the street resurfacing program of the City's Street Maintenance division.
- **Employee Insurance Benefits -** to account for the City's self insurance activities related to workers compensation, dental, and health.

Combining Statement of Net Position - Nonmajor Enterprise Funds

December 31, 2021 (dollars in thousands)

	Environmental Services	Golf Course	Total
Assets			
Current assets:			
Cash and cash equivalents	$ 20,877	$ 7,992	$ 28,869
Receivables:			
Accounts	3,602	17	3,619
Accrued interest	76	32	108
Inventories	-	105	105
Interfund Receivable	1,356	-	1,356
Prepaid items and other assets	2	-	2
Restricted assets:			
Cash and cash equivalents	4,215	-	4,215
Accrued interest receivable	25	-	25
Total Current Assets	**30,153**	**8,146**	**38,299**
Capital assets:			
Land	3,167	1,131	4,298
Construction in progress	4	170	174
Buildings and improvements	665	39,957	40,622
Machinery and equipment	259	10,737	10,996
Accumulated depreciation	(838)	(23,765)	(24,603)
Net capital assets	3,257	28,230	31,487
Long-term receivables	6	-	6
Total Noncurrent Assets	**3,263**	**28,230**	**31,493**
Total Assets	**33,416**	**36,376**	**69,792**
Deferred Outflows of Resources			
Items related to pension and OPEB plans	1,950	1,781	3,731
Total Deferred Outflows of Resources	**1,950**	**1,781**	**3,731**
Liabilities			
Current liabilities:			
Vouchers payable	482	198	680
Accrued liabilities	208	193	401
Unearned revenue	6	618	624
Interfund payable	361	18	379
Compensated absences	384	130	514
OPEB implicit rate subsidy	38	50	88
Capital lease obligation	-	1,045	1,045
Restricted liabilities:			
Vouchers payable	821	-	821
Total Current Liabilities	**2,300**	**2,252**	**4,552**
Noncurrent liabilities:			
Net pension and OPEB liability	9,350	8,567	17,917
Capital lease obligation	-	1,075	1,075
Compensated absences	333	562	895
Total Noncurrent Liabilities	**9,683**	**10,204**	**19,887**
Total Liabilities	**11,983**	**12,456**	**24,439**
Deferred Inflows of Resources			
Items related to pension and OPEB plans	1,573	501	2,074
Total Deferred Inflows of Resources	**1,573**	**501**	**2,074**
Net Position			
Net investment in capital assets	3,252	26,097	29,349
Restricted for capital projects	3,419	-	3,419
Unrestricted	15,139	(897)	14,242
Total Net Position	**$ 21,810**	**$ 25,200**	**$ 47,010**

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position - Nonmajor Enterprise Funds

For the Year Ended December 31, 2021 (dollars in thousands)

	Environmental Services	Golf Course	Total
Operating Revenues			
Charges for services	$ 13,626	$ 17,338	$ 30,964
Other revenue	600	(139)	461
Total Operating Revenues	**14,226**	**17,199**	**31,425**
Operating Expenses			
Personnel services	5,147	8,668	13,815
Contractual services	5,747	2,930	8,677
Supplies and materials	55	1,111	1,166
Depreciation and amortization	24	2,680	2,704
Other operating expenses	1,569	752	2,321
Total Operating Expenses	**12,542**	**16,141**	**28,683**
Operating income (loss)	1,684	1,058	2,742
Nonoperating Revenues (Expenses)			
Investment and interest income	(490)	(14)	(504)
Intergovernmental revenue	121	70	191
Net Nonoperating Revenues (Expenses)	**(369)**	**56**	**(313)**
Income (loss) before transfers and contributions	1,315	1,114	2,429
Transfers in	3,509	17	3,526
Transfers out	(6,420)	-	(6,420)
Capital asset transfer	-	4	4
Change in Net Position	(1,596)	1,135	(461)
Net Position - January 1	23,406	24,065	47,471
Net Position - December 31	**$ 21,810**	**$ 25,200**	**$ 47,010**

Combining Statement of Cash Flows - Nonmajor Enterprise Funds

For the Year Ended December 31, 2021 (dollars in thousands)

	Environmental Services	Golf Course	Total
Cash Flows From Operating Activities			
Receipts from customers	$ 13,274	$ 17,357	$ 30,631
Payments to suppliers	(7,071)	(4,760)	(11,831)
Payments to employees	(4,526)	(8,253)	(12,779)
Other receipts	600	(139)	461
Net Cash Provided by (Used in) Operating Activities	**2,277**	**4,205**	**6,482**
Cash Flows From Noncapital Financing Activities			
Operating grants received	121	17	138
Transfers in (out)	(3,032)	-	(3,032)
Net Cash Provided by (Used In) Noncapital Financing Activities	**(2,911)**	**17**	**(2,894)**
Cash Flows From Capital and Related Financing Activities			
Purchase of assets	25	(1,137)	(1,112)
Net Cash (Used In) Capital and Related Financing Activities	**25**	**(1,137)**	**(1,112)**
Cash Flows from Investing Activities			
Interest received / paid	(449)	(8)	(457)
Net Cash Provided by Investing Activities	**(449)**	**(8)**	**(457)**
Net increase (decrease) in cash and cash equivalents	(1,058)	3,077	2,019
Cash and cash equivalents - January 1	26,150	4,915	31,065
Cash and Cash Equivalents - December 31	**$ 25,092**	**$ 7,992**	**$ 33,084**
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities			
Operating income (loss)	$ 1,684	$ 1,058	$ 2,742
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation and amortization	3	2,680	2,683
Changes in Assets and Liabilities			
(Increase) Decrease in Accounts Receivable	(577)	(8)	(585)
(Increase) Decrease in Accrued Interest Receivable	-	(6)	(6)
(Increase) Decrease in Interfund Receivable	345	-	345
(Increase) Decrease in Inventories	-	72	72
Increase (Decrease) in Vouchers Payable	(95)	12	(83)
Increase (Decrease) in Unearned Revenue	-	27	27
Increase (Decrease) in Accrued Liabilities	221	(122)	99
Increase (Decrease) in Interfund Payable	299	4	303
Increase (Decrease) in Compensated Absences	-	(64)	(64)
Deferred Outflows of Resources	357	(27)	330
Deferred Inflows of Resources	1,198	280	1,478
Net Pension and OPEB Liability	(1,158)	299	(859)
Net Cash Provided by Operating Activities	**$ 2,277**	**$ 4,205**	**$ 6,482**
Noncash Activities			
Capital assets transferred from other City departments/agencies	$ -	$ 4	$ 4

Combining Statement of Net Position - Internal Service Funds

December 31, 2021 (dollars in thousands)

	Asphalt Plant	Employee Insurance Benefits	Total
Assets			
Current Assets:			
Cash and cash equivalents	$ 6,468	$ 60,939	$ 67,407
Receivables:			
Accounts	-	795	795
Accrued interest	-	241	241
Inventories	96	-	96
Interfund receivable	1,324	-	1,324
Total Current Assets	**7,888**	**61,975**	**69,863**
Capital Assets:			
Buildings and improvements	5,712	-	5,712
Machinery and equipment	2,769	-	2,769
Accumulated depreciation	(5,689)	-	(5,689)
Net capital assets	2,792	-	2,792
Total Assets	**10,680**	**61,975**	**72,655**
Liabilities			
Current Liabilities:			
Vouchers payable	35	3,901	3,936
Accrued liabilities	18	5,855	5,873
Interfund payable	-	71	71
Compensated absences	-	124	124
Claims reserve	-	10,024	10,024
Total Current Liabilities	**53**	**19,975**	**20,028**
Noncurrent Liabilities:			
Compensated absences	42	81	123
Claims reserve	-	25,786	25,786
Total noncurrent liabilities	42	25,867	25,909
Total Liabilities	**95**	**45,842**	**45,937**
Net Position			
Net investment in capital assets	2,792	-	2,792
Unrestricted	7,793	16,133	23,926
Total Net Position	**$ 10,585**	**$ 16,133**	**$ 26,718**

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position - Internal Service Funds

For the Year Ended December 31, 2021 (dollars in thousands)

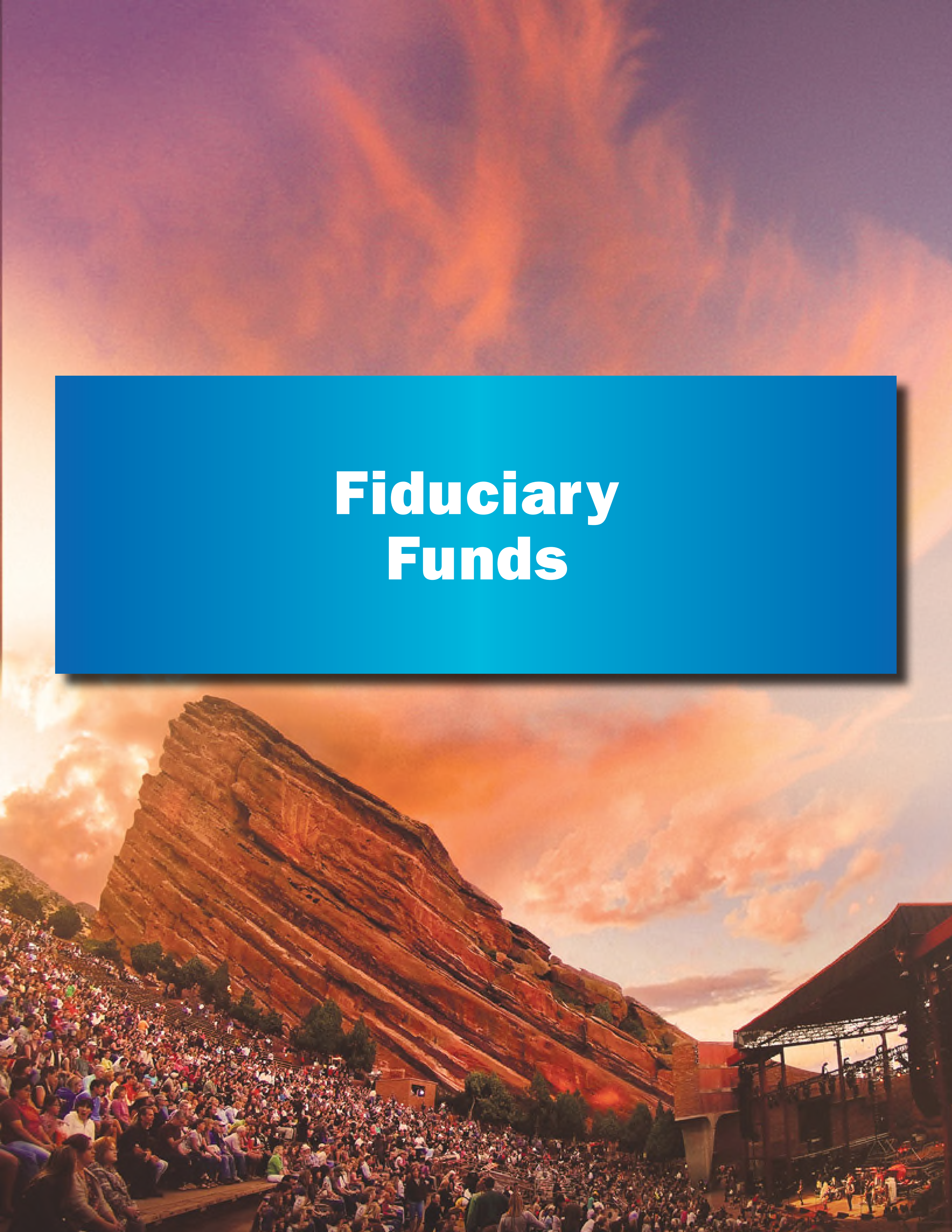
	Asphalt Plant	Employee Insurance Benefits	Total
Operating Revenues			
Charges for services	$ 9,466	$ 72,423	$ 81,889
Other revenue		6,825	6,825
Total Operating Revenues	**9,466**	**79,248**	**88,714**
Operating Expenses			
Personnel services	637	2,193	2,830
Contractual services	454	7,307	7,761
Supplies and materials	8,308	55	8,363
Depreciation	167	-	167
Claims payments	-	71,405	71,405
Other operating expenses	32	629	661
Change in claims reserve	-	3,081	3,081
Total Operating Expenses	**9,598**	**84,670**	**94,268**
Operating Income (loss)	(132)	(5,422)	(5,554)
Nonoperating Revenues (Expenses)			
Investment and interest income (loss)	-	(466)	(466)
Net Nonoperating Revenue (Expenses)	**-**	**(466)**	**(466)**
Income before transfers	(132)	(5,888)	(6,020)
Transfers out	-	(2,000)	(2,000)
Change in net position	(132)	(7,888)	(8,020)
Net position - January 1	10,717	24,021	34,738
Net Position - December 31	**$ 10,585**	**$ 16,133**	**$ 26,718**

Combining Statement of Cash Flows - Internal Service Funds

For the Year Ended December 31, 2021 (dollars in thousands)

	Asphalt Plant	Employee Insurance Benefits	Total
Cash Flows From Operating Activities			
Receipts from customers	$ 8,151	$ 73,541	$ 81,692
Payments to suppliers	(8,795)	(12,794)	(21,589)
Payments to employees	(712)	3,510	2,798
Other receipts	-	6,825	6,825
Claims paid	-	(71,405)	(71,405)
Net Cash Provided by Operating Activities	**(1,356)**	**(323)**	**(1,679)**
Cash Flows From Noncapital Financing Activities			
Transfers to other funds	-	(2,000)	(2,000)
Net Cash Provided by Noncapital Financing Activities	**-**	**(2,000)**	**(2,000)**
Cash Flows from Capital and Related Financing Activities			
Acquisition of capital assets	(637)	-	(637)
Net Cash Used by Capital and Related Financing Activities	**(637)**	**-**	**(637)**
Cash Flows Provided by Investing Activities			
Interest received	-	(441)	(441)
Net Cash Provided by Investing Activities	**-**	**(441)**	**(441)**
Net increase in cash and cash equivalents	(1,993)	(2,764)	(4,757)
Cash and cash equivalents - January 1	8,461	63,703	72,164
Cash and Cash Equivalents - December 31	**$ 6,468**	**$ 60,939**	**$ 67,407**
Reconciliation of Operating Income to Net Cash Provided by Operating Activities			
Operating income (loss)	$ (132)	$ (5,422)	$ (5,554)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	167	-	167
Changes in Assets and Liabilities			
(Increase) Decrease in Accounts Receivable	-	1,118	1,118
(Increase) Decrease in Interfund Receivable	(1,315)	-	(1,315)
(Increase) Decrease in Inventories	121	-	121
Increase (Decrease) in Vouchers Payable	(192)	896	704
Increase (Decrease) in Accrued Liabilities	(4)	5,703	5,699
Increase (Decrease) in Interfund Payable	(1)	8	7
Increase (Decrease) in Claims Reserved	-	(2,626)	(2,626)
Net Cash Provided by (Used In) Operating Activities	**$ (1,356)**	**$ (323)**	**$ (1,679)**

Fiduciary Funds



Fiduciary Funds

Fiduciary funds are trust and custodial funds which account for assets held by a governmental unit in a trustee capacity or as a custodian for individuals, private organizations, other governmental units, or other funds. These include expendable trust funds, non-expendable trust funds, pension trust funds, and custodial funds.

Pension, Health, and Other Employee Benefits Trust Funds

- **Pension Benefits Trust Funds** - **Denver Employees Retirement Plan** - to account for the pension assets of the Denver Employees Retirement Plan.
- **Health Benefits Trust Funds** - **Denver Employees Retirement Plan** - to account for the health benefits assets of the Denver Employees Retirement Plan.
- **Deferred Compensation** - to account for City employees' voluntary deferrals of current income to future years and the investment income earned.

Custodial Funds

- Custodial funds are comprised of resources held in a custodial capacity. This includes funds related to County Court and Police functions, as well as funds held for property foreclosure activities, and various taxes not yet distributed to external entities.

Combining Statement of Fiduciary Net Position - Pension, Health, and Other Trust Funds

As of December 31, 2021 (dollars in thousands)

	Pension Benefits Trust Fund	Health Benefits Trust Fund	Other Employee Benefit Trust Fund		
	Denver Employees Retirement Plan	**Denver Employees Retirement Plan**	**Deferred Compensation Plan**	**Private-Purpose Trust Funds**	**Total**
Assets					
Current assets:					
Cash and cash equivalents	$ 81,931	$ 2,638	$ -	$ 570	$ 85,139
Securities lending collateral	74,707	2,374	-	-	77,081
Receivables:				-	
Accounts	70	2	-	-	72
Accrued interest	1,327	42	-	-	1,369
Investments:				-	
U.S. Government obligations	403,202	12,810	-	-	416,012
Domestic stocks and bonds	780,293	24,791	-	-	805,084
International stocks	538,264	17,101	-	-	555,365
Mutual funds	-	-	742,871	-	742,871
Alternative investments	558,789	17,754	-	-	576,543
Real estate	234,277	7,443	-	-	241,720
Other	67,045	2,130	225,996	-	295,171
Total Investments	**2,581,870**	**82,029**	**968,867**	**-**	**3,632,766**
Prepaid and other assets	-	-	10,357	-	10,357
Total Current Assets	**2,739,905**	**87,085**	**979,224**	**570**	**3,806,784**
Capital assets, net of accumulated depreciation	2,258	72	-	**-**	2,330
Total Assets	**2,742,163**	**87,157**	**979,224**	**570**	**3,809,114**
Liabilities					
Vouchers payable	2,151	68	-	19	2,238
Securities lending obligations	74,914	2,381	-	-	77,295
Other accrued liabilities	30	1	-	275	306
Total Liabilities	**77,095**	**2,450**	**-**	**294**	**79,839**
Deferred inflow of resources	**22**	**-**	**-**	**-**	**22**
Net Position Held in Trust for Pension and Other Employee Benefit Trust Funds	**$ 2,665,046**	**-**	**$ 979,224**	**$ 276**	
Net Position Restricted for OPEB		**$ 84,707**			
Net Position Held in Trust for Benefits					**$ 3,729,253**

Combining Statement of Changes in Fiduciary Net Position - Pension, Health, and Other Trust Funds

As of December 31, 2021 (dollars in thousands)

	Pension Benefits Trust Fund	Health Benefits Trust Fund	Other Employee Benefit Trust Fund		
	Denver Employees Retirement Plan	**Denver Employees Retirement Plan**	**Deferred Compensation Plan**	**Private-Purpose Trust Funds**	**Total**
Additions					
Contributions:					
City and County of Denver	$ 105,687	$ 6,518	$ -	$ -	$ 112,205
Denver Health and Hospital Authority	4,778	287	-	-	5,065
Plan members	62,605	3,820	52,177	-	118,602
Total Contributions	**173,070**	**10,625**	**52,177**	**-**	**235,872**
Investment earnings:					
Net appreciation in fair value of investments	351,060	11,116	110,362	-	472,538
Interest and dividends	30,428	963	-	-	31,391
Real estate, alternative investments, and absolute return income	25,639	811	-	-	26,450
Total Investment Earnings	**407,127**	**12,890**	**110,362**	**-**	**530,379**
Less investment expense	(13,857)	(438)	-	-	(14,295)
Net Investment Costs	**393,270**	**12,452**	**110,362**	**-**	**516,084**
Securities lending income (expense):					
Securities lending income	256	8	-	-	264
Borrower rebates	88	3	-	-	91
Agent fees (loss)	(86)	(3)	-	-	(89)
Net Earnings from Securities Lending	**258**	**8**	**-**	**-**	**266**
Total Net Investment Earnings	**393,528**	**12,460**	**110,362**	**-**	**516,350**
Total Additions	**566,598**	**23,085**	**162,539**	**-**	**752,222**
Deductions					
Benefits	256,074	12,999	71,455	-	340,528
Refunds of contributions	7,506	238	-	-	7,744
Administrative expenses	4,657	147	897	-	5,701
Total Deductions	**268,237**	**13,384**	**72,352**	**-**	**353,973**
Change in net position	298,361	9,701	90,187	-	398,249
Net position - January 1	2,366,685	75,006	889,037	276	3,331,004
Net Position - December 31	**$ 2,665,046**	**$ 84,707**	**$ 979,224**	**$ 276**	**$ 3,729,253**

Combining Statement of Fiduciary Net Position - Custodial Funds

As of December 31, 2021 (dollars in thousands)

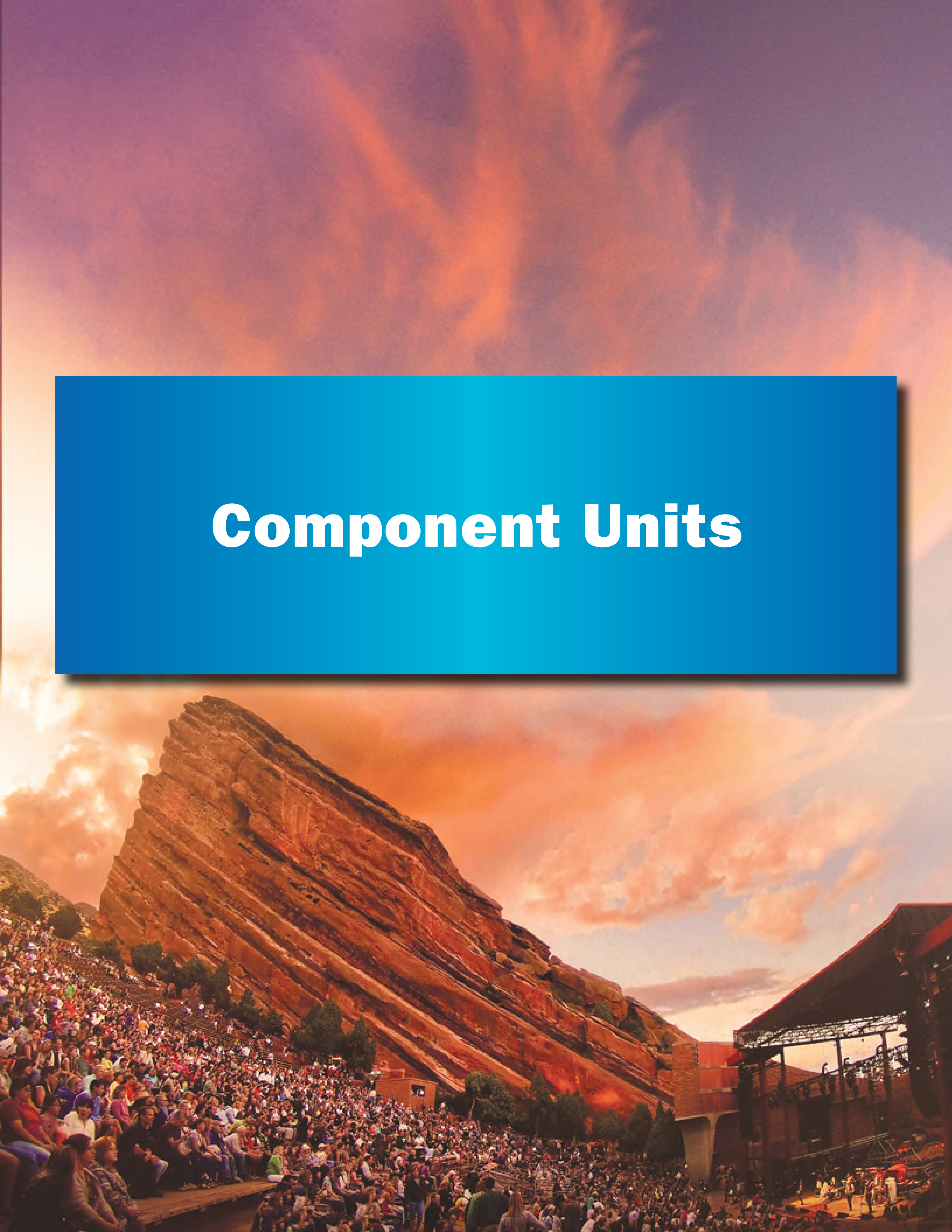
	Special Trust Fund	Treasury Collections Clearing Fund	Unclaimed Payments and Wages	Special Deposits	Total
Assets					
Cash on hand	$ 1,762	$ -	$ -	$ 1,139	$ 2,901
Cash and cash equivalents	-	15,715	1,513	5,049	22,277
Receivables (net of allowances for uncollectibles of $6,764):					
Taxes	-	1,309,253	-	-	1,309,253
Accounts	-	336	-	3	339
Total Assets	**$ 1,762**	**$ 1,325,304**	**$ 1,513**	**$ 6,191**	**$ 1,334,770**
Liabilities					
Vouchers payable	$ 33	$ 52	$ 1,513	$ 311	$ 1,909
Other accrued liabilities	1,582	802	-	1,375	3,759
Due to taxing units	-	1,324,450	-	-	1,324,450
Total Liabilities	**$ 1,615**	**$ 1,325,304**	**$ 1,513**	**$ -$ 1,686**	**$ 1,330,118**
Net Position					
Restricted	$ 147	$ -	$ -	$ 4,505	$ 4,652
Total Net Position	**$ 147**	**$ -**	**$ -**	**$ 4,505**	**$ 4,652**

Combining Statement of Changes in Fiduciary Net Position - Custodial Funds

For the Year Ended December 31, 2021 (dollars in thousands)

	Special Trust Fund	Treasury Collections Clearing Fund	Unclaimed Payments and Wages	Special Deposits	Total
Additions					
Contributions:					
Foreclosure deposits and inmate deposits	$ 4,880	$ -	$ -	$ -	$ 4,880
Tax collections	-	1,377,340	-	-	1,377,340
Unclaimed payments and wages	-	-	1,454	-	1,454
Court deposits and police confiscation monies	-	-	-	6,855	6,855
Total Contributions	**4,880**	**1,377,340**	**1,454**	**6,855**	**1,390,529**
Total Additions	**4,880**	**1,377,340**	**1,454**	**6,855**	**1,390,529**
Deductions					
Payments for foreclosure activities and payments to inmates	$ 5,219	$ -	$ -	$ -	$ 5,219
Distributions of taxes to outside entities	-	1,377,340	-	-	1,377,340
Unclaimed payments and wages claimed	-	-	1,454	-	1,454
Distribution of court deposits and police confiscation monies	-	-	-	6,325	6,325
Total Deductions	**5,219**	**1,377,340**	**1,454**	**6,325**	**1,390,338**
Change in net position	(339)	-	-	530	191
Net position - January 1	486	-	-	3,975	4,461
Net Position - December 31	**$ 147**	**$ -**	**$ -**	**$ 4,505**	**$ 4,652**

Component Units



This page intentionally left blank

Combining Statement of Net Position - Nonmajor Component Units

December 31, 2021 (dollars in thousands)

	Bluebird BID	Cherry Creek North BID	Cherry Creek Subarea BID	Colfax BID	Colfax Mayfair BID	Denver Preschool Program, Inc	Downtown Denver BID
Assets							
Cash and cash equivalents	$ 197	$ -	$ 94	$ 37	$ 276	$ 20,406	$ 1,672
Investments	-	1,737	-	1,193	-	-	180
Receivables (net of allowances):							
Taxes	149	5,666	-	901	-	-	6,989
Accounts	-	32	-	-	-	151	553
Other	-	23	-	12	-	-	-
Prepaid items and other assets	-	2	-	6	-	20	22
Restricted Assets:							
Cash and cash equivalents	4	254	-	-	-	-	-
Investments	-	277	-	-	-	-	-
Capital Assets:							
Land and construction in progress	-	18,020	-	87	-	-	-
Buildings and improvements	-	162	-	-	-	494	-
Machinery and equipment	-	543	-	3,241	-	344	5,099
Accumulated depreciation	-	(8,939)	-	(1,796)	-	(591)	(2,830)
Net Capital Assets	-	9,786	-	1,532	-	247	2,269
Total Assets	350	17,777	94	3,681	276	20,824	11,685
Deferred Outflows of Resources							
Deferred loss on refundings	-	973	-	-	-	-	-
Total Deferred Outflows of Resources	-	973	-	-	-	-	-
Liabilities							
Vouchers payable	7	265	-	40	32	3,943	527
Accrued liabilities	-	142	-	5	-	105	-
Noncurrent liabilities:							
Due within one year	-	975	-	-	-	-	90
Due in more than one year	-	10,760	-	-	-	-	509
Total Liabilities	7	12,142	-	45	32	4,048	1,126
Deferred Inflows of Resources							
Property taxes	149	5,666	-	897	-	-	7,003
Total Deferred Inflows of Resources	149	5,666	-	897	-	-	7,003
Net Position							
Net investment in capital assets	-	(977)	-	1,532	-	-	1,670
Restricted for:							
Capital Projects	41	-	-	-	-	-	-
Emergency use	4	159	-	30	-	-	224
Debt service	-	347	-	-	-	-	-
Unrestricted	149	1,413	94	1,177	244	16,776	1,662
Total Net Position (Deficit)	$ 194	$ 942	$ 94	$ 2,739	$ 244	$ 16,776	$ 3,556

Federal Boulevard BID	Five Points BID	Old South Gaylord BID	RiNo BID	Santa Fe BID	West Colfax BID	Denver College Success	Total
$ 135	$ 243	$ 6	$ 517	$ 39	$ 208	$ 20,185	$ 44,015
-	-	-	-	-	-	-	3,110
-	292	-	2,313	-	144	-	16,454
-	-	-	47	-	9	-	792
-	-	35	-	-	-	-	70
1	1	-	-	-	4	12	68
-	-	-	-	-	5	-	263
-	-	-	-	-	-	-	277
-	-	-	-	-	310	-	18,417
-	-	-	-	-	-	-	656
-	-	20	-	-	-	3	9,250
-	-	-	-	-	-	-	(14,156)
-	-	20	-	-	310	3	14,167
136	536	61	2,877	39	680	20,200	79,216
-	-	-	-	-	-	-	973
-	-	-	-	-	-	-	973
2	10	1	53	-	13	16	4,909
-	-	10	-	-	-	-	262
-	-	-	-	-	-	5,092	6,157
-	-	-	-	-	-	-	11,269
2	10	11	53	-	13	5,108	22,597
-	292	-	2,313	-	144	-	16,464
-	292	-	2,313	-	144	-	16,464
-	-	-	-	-	310	-	2,535
-	-	-	-	-	-	-	41
-	-	-	54	-	4	-	475
-	-	-	-	-	-	-	347
134	234	50	457	39	209	15,092	37,730
$ 134	$ 234	$ 50	$ 511	$ 39	$ 523	$ 15,092	$ 41,128

Combining Statement of Activities - Nonmajor Component Units

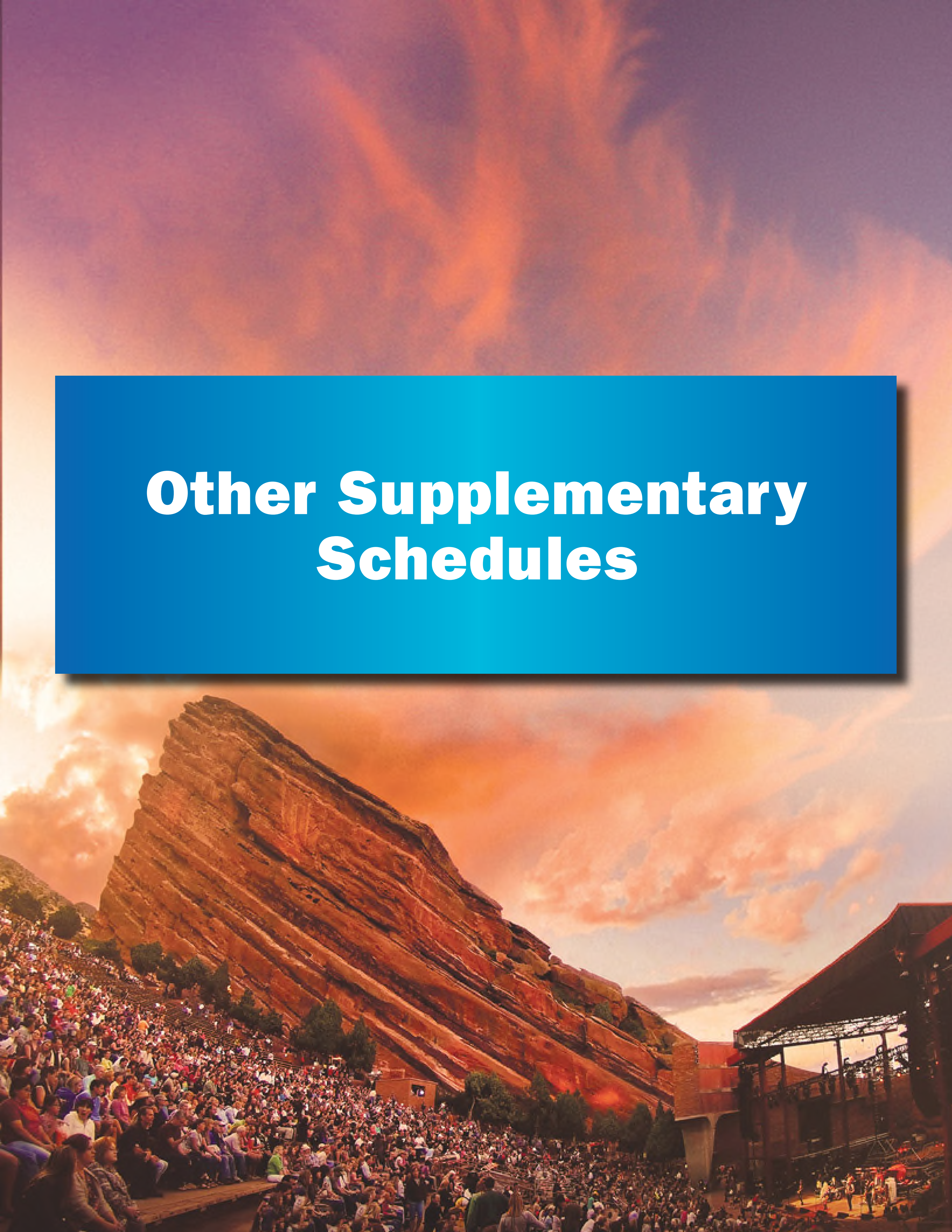
For the Year Ended December 31, 2021 (dollars in thousands)

	Bluebird BID	Cherry Creek North BID	Cherry Creek Subarea BID	Colfax BID	Colfax Mayfair BID	Denver Preschool Program, Inc	Downtown Denver BID
Expenses	$ 202	$ 6,010	$ 14	$ 1,033	$ 104	$ 26,244	$ 8,837
Program Revenues							
Charges for services	-	144	-	24	-	-	-
Operating grants and contributions	51	-	-	25	130	150	-
Total Program Revenues	**51**	**144**	**-**	**49**	**130**	**150**	**-**
Net expenses	(151)	(5,866)	(14)	(984)	26	(26,094)	(8,837)
General Revenues							
Taxes:							
Property	150	6,052	17	911	120	-	6,735
Specific ownership	8	335	-	50	-	-	-
Investment and interest income (loss)	-	-	-	2	-	-	-
Other revenues	13	52	-	13	-	23,603	1,797
Total General Revenues	**171**	**6,439**	**17**	**976**	**120**	**23,603**	**8,532**
Change in net position	20	573	3	(8)	146	(2,491)	(305)
Net position - January 1	174	369	91	2,747	100	19,267	3,861
Net Position - December 31	**$ 194**	**$ 942**	**$ 94**	**$ 2,739**	**$ 246**	**$ 16,776**	**$ 3,556**

Federal Boulevard BID	Five Points BID	Old South Gaylord BID	RiNo BID	Santa Fe BID	West Colfax BID	Denver College Success	Total
$ 63	$ 265	$ 43	$ 1,841	$ 174	$ 459	$ 6,027	$ 51,316
-	-	-	-	-	-	-	168
-	-	-	-	-	112	-	468
-	**-**	**-**	**-**	**-**	**112**	**-**	**636**
(63)	(265)	(43)	(1,841)	(174)	(347)	(6,027)	(50,680)
105	207	14	1,704	100	137	11,944	28,196
-	14	-	96	-	-	-	503
-	-	-	-	-	-	81	83
1	92	-	-	48	54	-	25,673
106	**313**	**14**	**1,800**	**148**	**191**	**12,025**	**54,455**
43	48	(29)	(41)	(26)	(156)	5,998	3,775
91	186	79	552	65	679	9,094	37,355
$ 134	**$ 234**	**$ 50**	**$ 511**	**$ 39**	**$ 523**	**$ 15,092**	**$ 41,130**

This page intentionally left blank

Other Supplementary Schedules



Combined Schedule of Bonds Payable and Escrows

December 31, 2021 (dollars in thousands)

	Amount Issued	Maturity	Interest Rate[4]	Amount Outstanding	1st Optional Call Date
Denver Airport System					
Non-Direct senior lien bonds					
2009B Credit Facility Bonds	65,290	2036-2039	6.41%	65,290	1/2/17
2012A Airport System Revenue	315,780	2017-2043	4.00-5.00%	116,885	11/15/22
2012B Airport System Revenue	510,140	2017-2043	4.00-5.00%	276,355	11/15/22
2012C Airport System Revenue	30,285	2026	3.59%	30,285	1/2/17
2016A Airport System Revenue	256,810	2017-2032	5.00%	207,020	11/15/26
2017A Airport System Revenue	225,220	2018-2030	5.00%	172,785	11/15/27
2017B Airport System Revenue	21,175	2033	5.00%	21,280	11/15/27
2019C Airport System Revenue	120,005	2026-2036	5.00%	120,005	n/a
2019D Airport System Revenue	83,725	2026-2031	5.00%	83,725	n/a
2020A-1 Airport System Revenue	95,330	2021-2032	5.00%	90,790	11/15/30
2020A-2 Airport System Revenue	60,515	2021-2025	5.00%	46,930	n/a
2020B-1 Airport System Revenue	37,465	2021-2025	5.00%	28,420	n/a
2020B-2 Airport System Revenue	24,060	2025	5.00%	24,060	n/a
2020C Airport System Revenue	411,535	2022-2037	0.82%-2.87%	411,535	11/15/30
Total				**1,695,365**	
Non-Direct subordinate lien bonds					
2013A Airport System Revenue	326,260	2017-2043	4.00-5.50%	295,220	11/15/23
2013B Airport System Revenue	393,655	2017-2043	5.00%-5.25%	357,025	11/15/23
2018A Airport System Revenue	2,341,710	2020-2048	3.75-5.25%	2,320,110	12/1/29
2018B Airport System Revenue	184,365	2020-2048	3.50-5.00%	183,625	12/1/29
Total				**3,155,980**	
Direct Placement senior lien bonds					
1992F-G Credit Facility Bonds[1]	36,900	2031	0.00%	-	9/25/17
2002C Credit Facility Bonds[1]	30,300	2031	0.48%	17,200	9/25/17
2007G1-G2 Credit Facility Bonds[2]	135,600	2031	0.97%	92,800	12/1/23
2008B Airport System Revenue[1]	81,800	2031	0.48%	35,100	1/2/17
2009C Airport System Revenue[1]	104,655	2031	0.48%	56,455	1/2/17
2021A-B Credit Facility Bonds[1]	36,900	2031	0.48%	25,600	n/a
Total				**227,155**	
Direct Placement subordinate lien bonds					
2015A Airport System Revenue	195,940	2021,2023, & 2035	2.20%	99,540	11/15/17
2019A Airport System Revenue	145,875	2020-2030	1.37%	104,390	n/a
2021 Interim Note	700,000	2022	0.21%	700,000	n/a
2021C Airport System Revenue	26,220	2022	0.51%	26,220	n/a
Total				**930,150**	
Unamortized premium net of discount				335,548	
Total Denver Airport System				**6,344,198**	
Wastewater Management					
2012 Wastewater Revenue Bonds	50,425	2017-2032	2.00-5.00%	21,720	n/a
2016 Wastewater Revenue Bonds	115,000	2017-2046	4.00-5.00%	104,565	11/1/26
2018 Wastewater Revenue Bonds	103,050	2018-2047	3.00-5.00%	94,470	11/1/29
Unamortized premium				19,496	
Total Wastewater Management				**240,251**	

continued

Combined Schedule of Bonds Payable and Escrows - continued

December 31, 2021 (dollars in thousands)

	Amount Issued	Maturity	Interest Rate	Amount Outstanding	1st Optional Call Date
General Obligation					
Non-direct Placement					
2006 Justice System Facilities Bonds	$ 8,861	2022	4.75%	$ 8,860[3]	Not callable
2013A Better Denver Bonds	120,925	2017-2030	3.00-5.00%	27,425	8/1/2023
2014 Better Denver (mini-bonds)	12,000	2023, 2028	4.39-4.89%	12,000[3]	Not callable
2018A GO Elevate Denver Bonds	193,000	2018-2033	3.13-5.00%	60,720	8/1/2023
2018B GO Justice System Refunding Bonds	67,905	2019-2025	5.00%	36,430	Not callable
2019A GO Elevate Denver Bonds	81,910	2019-2024	5.00%	75,855	Not callable
2019B GO Better Denver and Zoo Refunding Bonds	50,140	2019-2025	5.00%	35,030	Not callable
2019C GO Elevate Denver Bonds	117,265	2020-2033	2.38-5.00%	55,295	8/1/2023
2020A GO	169,925	2039	2.0-5.0%	145,500	Not callable
2020B GO	222,700	2030	5%	218,645	Not callable
Direct Placement					
2013B1 GO Refunding Bonds	48,020	2017-2025	2.30%	19,960	8/1/2023
2013B2 GO Refunding Bonds	89,415	2017-2025	2.38%	41,740	8/1/2023
Total Primary Government				**737,460**	
Unamortized premium				110,124	
Net Primary Government				**847,584**	
Total General Obligation				**847,584**	
Excise Tax Revenue Bonds					
2016A Dedicated Tax Refunding and Improvement	242,500	2021-2046	2.00-5.00%	235,490	8/1/2026
2016B Dedicated Tax Refunding and Improvement	154,810	2017-2032	1.54-3.82%	42,285	8/1/2026
2018A1 Dedicated Tax Revenue Bonds	151,485	2041-2048	5.00%	151,485	8/1/2026
2018A2 Dedicated Tax Revenue Bonds	88,515	2029-2040	3.84-4.33%	88,515[3]	8/1/2026
2018B Dedicated Tax Revenue Bonds	60,000	2019-2029	2.58-3.75%	57,395	8/1/2026
2021A Dedicated Tax Revenue Bonds	273,830	2027-2051	4.00-5.00%	273,830	8/1/2031
Total Excise Tax Revenue Bonds				**849,000**	
Unamortized premium				88,237	
Net Excise Tax Revenue Bonds				**937,237**	
Total General Long-Term Debt				**1,784,821**	
Total Bonds Payable				**$ 9,216,854**	

(1) Variable rate issue - weekly interest rate reset

(2) Variable rate issue - monthly interest rate reset

(3) Amounts do not include $8,798 and $4,808 of compound interest on the Series 2007 and 2014A mini-bonds, respectively. Amount doe not include $12,921 of compound interest on the Series 2018A2.

(4) Variable rate issues reflect rate in effect as of December 31, 2021.

The public report burden for this information collection is estimated to average 380 hours annually.
Form Approved
OMB No. 2125-0032

LOCAL HIGHWAY FINANCE REPORT		
	City or County:	Denver
	YEAR ENDING :	December 2021

This Information From The Records Of (example - City of _ or County of _): City and County of Denver	Prepared By:	Christine Torres
	Phone:	720-913-1745

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	78,424,735.81
3. Other local imposts (from page 2)	-
4. Miscellaneous local receipts (from page 2)	-
5. Transfers from toll facilities	-
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	-
c. Notes	-
d. Total (a. + b. + c.)	-
7. Total (1 through 6)	78,424,735.81
B. Private Contributions	21,881,928.44
C. Receipts from State government (from page 2)	30,159,560.19
D. Receipts from Federal Government (from page 2)	4,633,037.34
E. Total receipts (A.7 + B + C + D)	135,099,261.78

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	115,774,648.21
2. Maintenance:	29,934,047.20
3. Road and street services:	
a. Traffic control operations	10,232,672.03
b. Snow and ice removal	1,269,754.53
c. Other	19,945,669.65
d. Total (a. through c.)	31,448,096.21
4. General administration & miscellaneous	17,624,012.87
5. Highway law enforcement and safety	23,784,204.99
6. Total (1 through 5)	218,565,009.48
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	-
b. Redemption	-
c. Total (a. + b.)	-
2. Notes:	
a. Interest	-
b. Redemption	-
c. Total (a. + b.)	-
3. Total (1.c + 2.c)	-
C. Payments to State for highways	-
D. Payments to toll facilities	-
E. Total disbursements (A.6 + B.3 + C + D)	218,565,009.48

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				-
1. Bonds (Refunding Portion)				
B. Notes (Total)				-

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	135,099,261.78	218,565,009.48		(83,465,747.70)

Notes and Comments:

- II.A.2 ("General fund appropriations") have been added to the extent that they are calculated to support highway expenditures
- IV. Until 2006 we reported debt only for street-related special assessment districts. That amount is now negligible. General Obligation debt related to highways cannot be separated from debt for other purposes.
- V.A&D. The City and County of Denver has no comprehensive, separate Road and Street "Fund." We have funds for various capital outlays; General Fund appropriations and other specified revenues support non-capital expenditures on roads and streets.

LOCAL HIGHWAY FINANCE REPORT	
	STATE: Colorado
	YEAR ENDING (mm/yy) 12/21

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		**A.4. Miscellaneous local receipts:**	
a. Property Taxes and Assessments	-	a. Interest on investments	-
b. Other local imposts:		b. Traffic Fines & Penalities	-
1. Sales Taxes	-	c. Parking Garage Fees	-
2. Infrastructure & Impact Fees		d. Parking Meter Fees	-
3. Liens	-	e. Sale of Surplus Property	-
4. Licenses	-	f. Charges for Services	-
5. Specific Ownership &/or Other	-	g. Other Misc. Receipts	-
6. Total (1. through 5.)	-	h. Other	-
c. Total (a. + b.)	-	i. Total (a. through h.)	-
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user taxes	28,647,736.92	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	-
a. State bond proceeds		b. FEMA	-
b. Project Match		c. HUD	-
c. Motor Vehicle Registrations	-	d. Federal Transit Admin	2,306,879.99
d. Other (Specify) - DOLA Grant	-	e. U.S. Corps of Engineers	-
e. Other (Specify) PO#471001770/471001655	1,511,823.27	f. Other Federal ATCMTD Grant	2,326,157.35
f. Total (a. through e.)	1,511,823.27	g. Total (a. through f.)	4,633,037.34
4. Total (1. + 2. + 3.f)	30,159,560.19	3. Total (1. + 2.g)	
			(Carry forward to page 1)

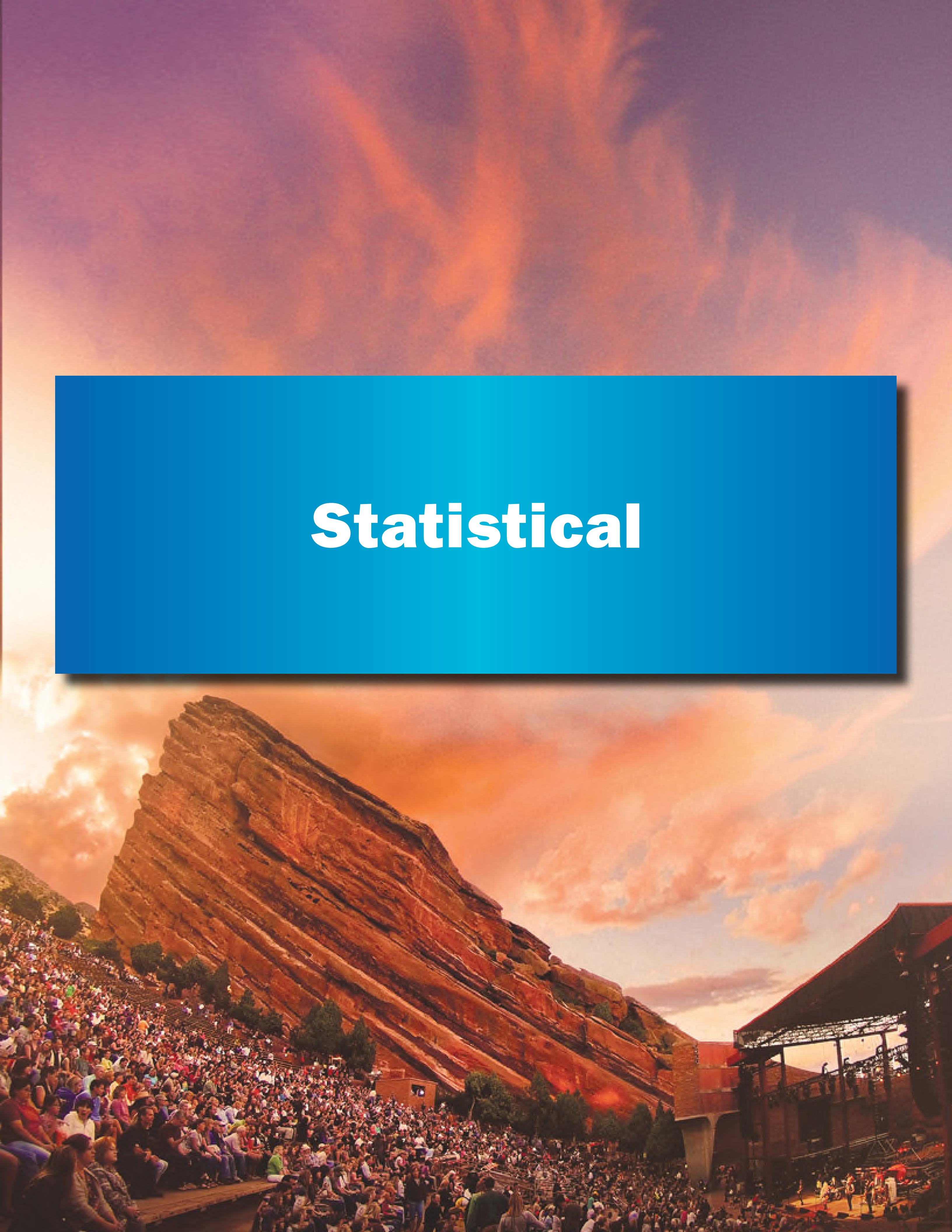
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs	-	11,868,166.93	11,868,166.93
b. Engineering Costs	-	15,143,001.57	15,143,001.57
c. Construction:			
(1). New Facilities	-	4,823,621.41	4,823,621.41
(2). Capacity Improvements	-	15,309,537.17	15,309,537.17
(3). System Preservation	-	60,313,395.25	60,313,395.25
(4). System Enhancement & Operation	-	8,316,925.88	8,316,925.88
(5). Total Construction (1) + (2) + (3) + (4)	-	88,763,479.71	88,763,479.71
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	-	115,774,648.21	115,774,648.21
			(Carry forward to page 1)

Notes and Comments:

FORM FHWA-536

Statistical



This part of the City and County of Denver's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

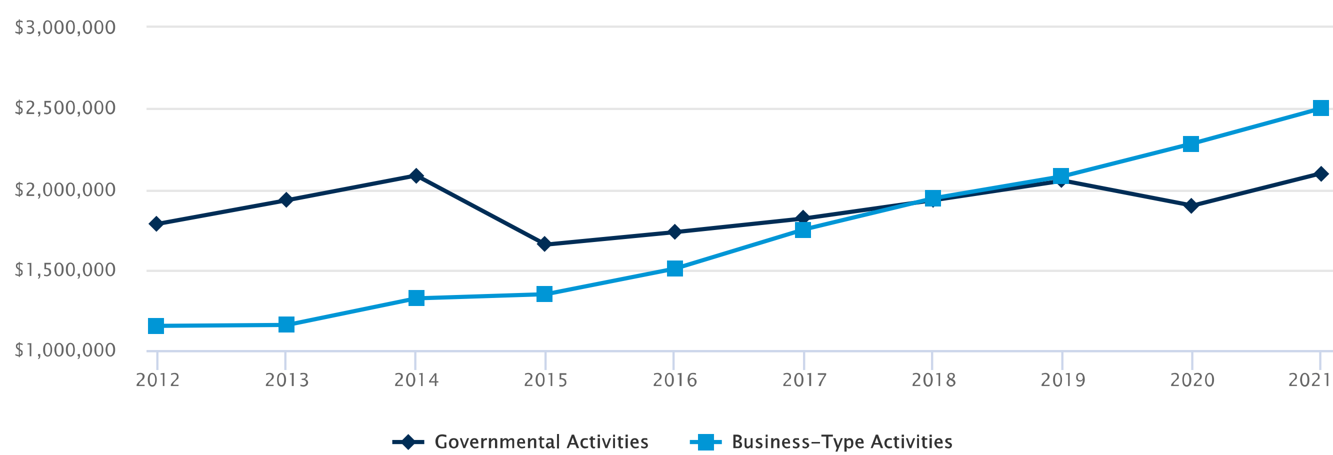
Contents

Net Position by Component

Last 10 Fiscal Years (dollars in thousands - accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Net investment in capital assets	$ 1,315,237	$ 1,366,632	$ 1,420,817	$ 1,509,354	$ 1,572,753	$ 1,730,520	$ 1,780,073	$ 1,955,118	$ 2,002,667	$ 2,286,715
Restricted	457,614	481,937	524,017	649,483	918,405	792,057	1,580,026	1,745,453	1,396,675	2,236,907
Unrestricted	9,411	81,589	138,255	(504,190)	(759,893)	(706,069)	(1,429,565)	(1,648,841)	(1,503,715)	(2,426,943)
Total governmental activities net position	**$ 1,782,262**	**$ 1,930,158**	**$ 2,083,089**	**$ 1,654,647**	**$ 1,731,265**	**$ 1,816,508**	**$ 1,930,534**	**$ 2,051,730**	**$ 1,895,627**	**$ 2,096,679**
Business-type activities										
Net investment in capital assets	$ (13,036)	$ (192,372)	$ (193,351)	$ (81,930)	$ 175,636	$ 701,234	$ 604,246	$ 517,177	$ 610,628	$ 611,204
Restricted	656,174	671,317	667,801	675,863	622,880	493,837	512,691	496,583	660,987	389,360
Unrestricted	507,873	677,576	846,056	752,775	707,076	553,533	824,401	1,065,120	1,010,116	1,500,453
Total business-type activities net position	**$ 1,151,011**	**$ 1,156,521**	**$ 1,320,506**	**$ 1,346,708**	**$ 1,505,592**	**$ 1,748,604**	**$ 1,941,338**	**$ 2,078,880**	**$ 2,281,731**	**$ 2,501,017**
Primary government										
Net investment in capital assets	$ 1,302,201	$ 1,174,260	$ 1,227,466	$ 1,427,424	$ 1,748,389	$ 2,431,754	$ 2,384,319	$ 2,472,295	$ 2,613,295	$ 2,897,919
Restricted	1,113,788	1,153,254	1,191,818	1,325,346	1,541,285	1,285,894	2,092,717	2,242,036	2,057,662	2,626,267
Unrestricted	517,284	759,165	984,311	248,585	(52,817)	(152,536)	(605,164)	(583,721)	(493,599)	(926,490)
Total primary government net position	**$ 2,933,273**	**$ 3,086,679**	**$ 3,403,595**	**$ 3,001,355**	**$ 3,236,857**	**$ 3,565,112**	**$ 3,871,872**	**$ 4,130,610**	**$ 4,177,358**	**$ 4,597,696**

Primary Government Net Position



Changes in Net Position

Last 10 Fiscal Years (dollars in thousands - accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities:										
General government	$ 247,659	$ 262,466	$ 319,464	$ 340,401	$ 405,900	$ 445,601	$ 472,623	$ 553,292	$ 594,462	$ 651,338
Public safety	570,111	563,658	592,270	588,597	688,287	707,981	670,773	724,031	855,496	805,223
Transportation and Infrastructure	195,168	164,837	193,207	190,577	216,587	254,381	282,285	378,125	306,170	351,142
Human services	111,067	114,624	114,727	125,195	145,594	167,131	176,745	163,930	159,248	165,061
Health	53,755	54,453	59,216	64,687	65,265	62,351	61,391	112,395	130,305	129,433
Parks and recreation	80,480	89,305	80,199	68,650	93,842	100,294	117,622	111,776	106,702	114,000
Cultural activities	110,885	123,248	128,799	131,835	130,536	157,531	156,680	168,960	123,649	147,593
Community development	40,262	35,142	39,598	45,355	48,766	52,832	71,622	64,884	178,505	172,452
Economic opportunity	21,481	21,218	21,091	20,027	14,830	11,746	1,187	9,873	12,385	15,354
Interest on long-term debt	74,901	70,030	66,306	63,267	62,566	63,952	62,524	74,432	60,650	55,630
Total governmental activities	**1,505,769**	**1,498,981**	**1,614,877**	**1,638,591**	**1,872,173**	**2,023,800**	**2,073,452**	**2,361,698**	**2,527,572**	**2,607,226**
Business-type activities:										
Wastewater management	99,179	105,679	102,688	111,941	114,740	124,046	129,459	138,617	151,126	150,482
Denver airport system	763,249	801,786	773,345	769,896	811,094	825,110	889,251	1,059,258	964,700	921,608
Environmental services	7,001	9,354	8,174	9,967	11,837	10,880	16,720	12,998	13,671	12,542
Golf course	8,943	10,474	12,254	10,766	11,146	11,507	11,711	12,820	14,881	16,141
Total business-type activities	**878,372**	**927,293**	**896,461**	**902,570**	**948,817**	**971,543**	**1,047,141**	**1,223,693**	**1,144,378**	**1,100,773**
Total Primary Government Expenses	**$ 2,384,141**	**$ 2,426,274**	**$ 2,511,338**	**$ 2,541,161**	**$ 2,820,990**	**$ 2,995,343**	**$ 3,120,593**	**$ 3,585,391**	**$ 3,671,950**	**$ 3,707,999**
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 75,761	$ 87,988	$ 97,289	$ 99,302	$ 99,847	$ 97,788	$ 83,149	$ 101,603	$ 99,453	$ 103,977
Public safety	90,528	87,996	86,010	93,230	95,497	97,339	110,837	99,548	93,350	101,188
Public works	60,227	68,666	71,653	77,308	75,580	79,397	81,237	78,883	-	-
Community development	23,466	25,615	25,741	41,312	34,264	39,905	41,317	51,039	37,091	58,190
Other activities	74,844	76,577	86,043	91,608	95,337	92,573	103,838	107,264	81,111	136,168
Operating grants and contributions:										
General government	33,960	26,716	23,694	37,017	23,475	25,288	26,177	28,415	79,325	120,899
Public safety	30,634	29,023	26,861	26,914	26,398	24,327	27,787	25,012	27,279	31,145
Public works	62,269	19,370	20,654	20,825	23,358	21,992	116,848	24,616	-	-
Human services	73,133	68,244	76,207	73,768	86,469	95,221	96,337	96,093	92,925	95,765
Community development	26,617	15,800	17,064	7	6	283	1,577	17,763	60,518	87,543
Other activities	26,706	20,259	22,767	22,006	19,935	27,174	31,437	22,381	69,165	76,438
Capital grants and contributions:										
Public works	30,777	29,408	35,699	9,701	36,527	65,555	77,198	59,431	-	-
Other activities	2,780	40,104	18,780	28,597	31,691	24,877	25,376	48,804	104,157	108,977
Total governmental activities program revenues	**611,702**	**595,766**	**608,462**	**621,595**	**648,384**	**691,719**	**823,115**	**760,852**	**744,374**	**920,290**

Changes in Net Position - continued

Last 10 Fiscal Years (dollars in thousands - accrual basis of accounting)

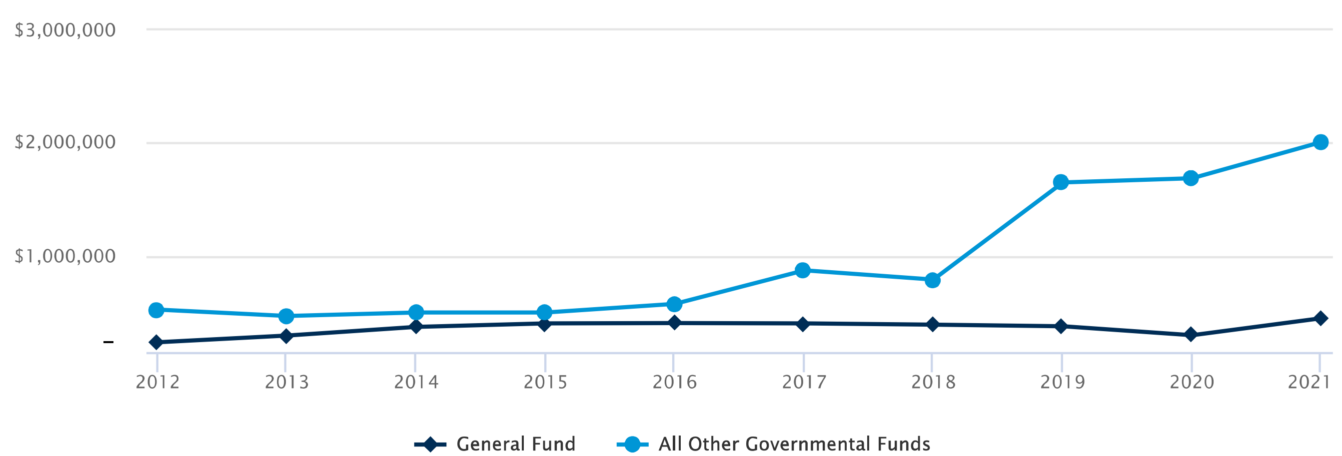
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Business-type activities:										
Charges for services:										
Wastewater management	$ 106,167	$ 115,872	$ 120,806	$ 126,260	$ 133,375	$ 150,122	$ 159,526	$ 107,829	$ 108,374	$ 191,555
Denver airport system	730,145	661,637	711,490	793,543	876,643	906,750	952,286	1,021,802	667,353	845,481
Other activities	18,471	18,108	20,627	26,339	22,131	26,663	22,531	21,542	25,526	30,964
Operating grants and contributions:										
Denver airport system	675	103,513	121,690	19,220	686	873	-	-	-	-
Capital grants and contributions:										
Wastewater enterprises	6,890	7,289	8,379	9,564	25,142	21,296	17,742	10,752	9,099	13,327
Denver airport system	22,996	31,412	20,533	20,483	3,553	55,879	26,730	15,301	33,773	24,814
Other activities	-	-	-	-	280	-	-	-	-	-
Total business-type activities program revenues	**885,344**	**937,831**	**1,003,525**	**995,409**	**1,061,810**	**1,161,583**	**1,178,815**	**1,177,226**	**844,125**	**1,106,141**
Total Primary Government Net Revenue	**$ 1,497,046**	**$ 1,533,597**	**$ 1,611,987**	**$ 1,617,004**	**$ 1,710,194**	**$ 1,853,302**	**$ 2,001,930**	**$ 1,938,078**	**$ 1,588,499**	**$ 2,026,431**
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property	$ 287,062	$ 331,914	$ 347,079	$ 349,176	$ 399,859	$ 419,648	$ 472,995	$ 479,346	$ 510,841	$ 533,823
Sales and use	494,495	539,348	615,735	638,276	674,398	718,577	762,201	896,924	791,510	1,079,287
Other	140,123	146,875	165,584	180,745	187,427	217,940	229,725	250,162	138,736	199,901
Net investment and interest income (loss)	11,259	2,525	14,928	15,503	19,151	20,642	37,996	83,806	97,767	4,153
Other revenue	31,921	35,368	25,511	48,550	24,128	39,465	21,000	57,196	74,434	70,635
Transfers	275	275	575	2,275	(1,676)	1,052	444	1,324	4,964	1,594
Capital asset transfers	-	-	(10,066)	-	(2,880)	-	-	1,282	(2,250)	(1,405)
Total governmental activities	**965,135**	**1,056,305**	**1,159,346**	**1,234,525**	**1,300,407**	**1,417,324**	**1,524,361**	**1,770,040**	**1,616,002**	**1,887,988**
Business-type activities:										
Net investment and interest income (loss)	48,275	24,357	45,205	41,593	40,414	49,083	79,751	181,628	162,114	(38,278)
Other revenue	17	948	2,225	13,666	921	4,941	6,238	4,987	343,704	252,385
Transfers	(275)	(275)	(575)	(2,275)	1,676	(1,052)	(444)	(1,324)	(4,964)	(1,594)
Capital asset transfers	-	-	10,066	-	2,880	-	-	(1,282)	2,250	1,405
Total business-type activities	**48,017**	**25,030**	**56,921**	**52,984**	**45,891**	**52,972**	**85,545**	**184,009**	**503,104**	**213,918**
Total General Revenues and Other Changes in Net Position	**$ 1,013,152**	**$ 1,081,335**	**$ 1,216,267**	**$ 1,287,509**	**$ 1,346,298**	**$ 1,470,296**	**$ 1,609,906**	**$ 1,954,049**	**$ 2,119,106**	**$ 2,101,906**
Changes in Net Position										
Governmental activities	$ 71,068	$ 153,090	$ 152,931	$ 217,529	$ 76,618	$ 85,243	$ 274,024	$ 169,194	$ (167,196)	$ 201,052
Business activities	54,989	35,568	163,985	145,823	158,884	243,012	217,219	137,542	202,851	219,286
Total Primary Government	**$ 126,057**	**$ 188,658**	**$ 316,916**	**$ 363,352**	**$ 235,502**	**$ 328,255**	**$ 491,243**	**$ 306,736**	**$ 35,655**	**$ 420,338**

Fund Balances of Governmental Funds

Last 10 Fiscal Years (dollars in thousands - modified accrual basis of accounting)

	2012 (1)	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	$ 159	$ 268	$ 425	$ 2,890	$ 7,215	$ 2,979	$ 4,709	$ 11,651	$ 14,254	$ 14,231
Restricted	56,566	62,443	65,439	65,713	68,114	71,295	75,838	85,127	71,056	81,161
Committed	15,084	23,594	30,388	32,121	50,964	55,661	74,024	74,677	41,555	76,472
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	155,039	201,030	267,764	293,476	271,130	264,124	230,209	198,626	163,016	268,573
Total General Fund	**$ 226,848**	**$ 287,335**	**$ 364,016**	**$ 394,200**	**$ 397,423**	**$ 394,059**	**$ 384,780**	**$ 370,081**	**$ 289,881**	**$ 440,437**
All other governmental funds										
Nonspendable	$ 5,729	$ 6,515	$ 3,038	$ 8,218	$ 9,395	$ 20,479	$ 16,580	$ 4,686	$ 3,686	$ 6,507
Restricted	395,160	413,008	455,110	528,071	833,997	743,187	1,387,996	1,636,150	1,694,495	1,991,173
Committed	27,786	37,804	3,966	2,262	24,041	20,624	29,940	4,203	24,712	18,465
Assigned	32,760	29,043	28,076	30,040	559	1,062	1,047	1,057	1,038	1,538
Unassigned	(38)	-	-	(372)	-	-	-	-	(40,109)	(12,348)
Total all other governmental funds	**$ 515,882**	**$ 461,397**	**$ 486,370**	**$ 490,190**	**$ 568,219**	**$ 867,992**	**$ 785,352**	**$ 1,646,096**	**$ 1,683,823**	**$ 2,005,335**

Fund Balances of Governmental Funds



Changes in Fund Balances of Governmental Funds

Last 10 Fiscal Years (dollars in thousands - modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Property taxes	$ 287,062	$ 331,914	$ 347,079	$ 349,176	$ 399,859	$ 299,320	$ 472,995	$ 480,741	$ 510,841	$ 533,823
Sales and use taxes	494,495	539,348	608,307	640,251	676,916	64,981	762,201	896,925	791,510	1,079,287
Other taxes	140,123	146,875	165,584	180,745	187,427	101,593	229,725	248,770	138,736	199,901
Special assessments	1,422	1,702	1,913	1,575	1,282	1,257	1,305	1,819	1,858	1,285
Licenses and permits	35,393	44,415	49,963	61,530	61,235	431	68,005	69,322	63,571	68,933
Intergovernmental revenues	236,892	206,878	218,206	213,643	223,296	211,345	278,238	280,420	389,641	467,127
Charges for services	219,691	225,169	237,077	265,105	267,170	71,668	279,037	313,011	225,575	291,774
Investment and interest income	10,738	2,003	14,413	14,998	18,661	10,984	37,540	83,371	97,355	3,766
Fines and forfeitures	55,964	57,469	54,472	53,540	49,433	1,688	45,032	39,579	30,470	37,531
Contributions	6,515	7,086	5,578	4,657	6,709	9,975	29,960	7,147	7,585	18,463
Other revenue	51,030	55,664	54,660	65,103	62,289	51,828	63,132	67,190	67,678	69,555
Total revenues	**1,539,325**	**1,618,523**	**1,757,252**	**1,850,323**	**1,954,277**	**825,070**	**2,267,170**	**2,488,295**	**2,324,820**	**2,771,445**
Expenditures										
General government	242,091	258,408	304,479	332,024	374,605	205,575	425,260	466,523	495,843	567,219
Public safety	545,395	552,663	574,812	607,077	606,983	75,714	687,895	718,926	722,561	670,637
Public works	207,205	170,129	221,813	192,462	188,078	139,248	309,140	364,097	313,358	352,697
Health	52,848	54,205	59,469	64,036	61,822	13,139	59,532	107,222	149,820	155,870
Human services	110,784	114,079	113,799	123,095	135,733	-	168,061	164,274	126,625	128,175
Parks and recreation	61,761	66,992	70,301	73,222	75,752	12,902	101,208	99,176	90,970	89,435
Cultural activities	87,984	98,038	107,138	110,427	115,446	81,525	133,983	142,806	110,349	115,419
Community development	40,505	35,030	39,469	44,791	46,968	19,417	68,699	75,052	155,581	169,228
Economic opportunity	21,482	21,321	21,085	19,813	14,588	6,873	745	9,642	15,057	15,186
Principal retirement	87,393	99,525	95,885	104,667	107,346	149,079	160,127	146,111	150,794	148,798
Interest	75,351	72,842	69,427	64,622	60,908	64,927	56,510	75,097	76,137	65,901
Bond issuance costs	-	-	500	491	2,073	-	-	-	-	-
Capital outlay	93,934	45,877	32,697	35,194	99,506	57,959	121,666	170,324	171,176	166,297
Total Expenditures	**1,626,733**	**1,589,109**	**1,710,874**	**1,771,921**	**1,889,808**	**826,358**	**2,292,826**	**2,539,250**	**2,578,271**	**2,644,862**
Deficiency of revenues under expenditures	(87,408)	29,414	46,378	78,402	64,469	(1,288)	(25,656)	(50,955)	(253,451)	126,583

continued

Changes in Fund Balances of Governmental Funds, continued

Last 10 Fiscal Years (dollars in thousands - modified accrual basis of accounting)

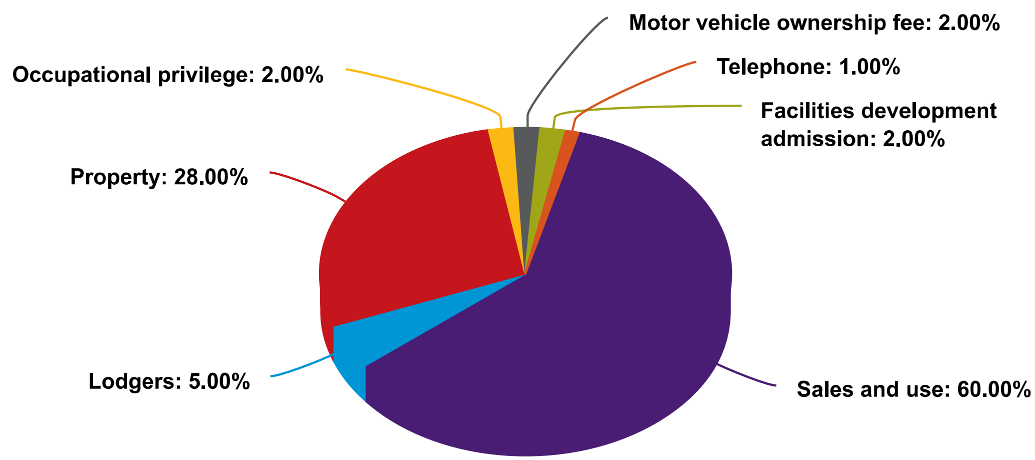
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Other financing sources (uses)										
Sale of capital assets	5	128	1,784	296	1,081	3,957	651	14,429	5,980	203
GID general obligation bonds issued	-	-	-	-	-	-	-	-	-	-
General obligation bonds issued	-	-	-	-	-	-	-	-	-	-
Issuance of certificate of participation	-	-	-	22,470	-	1,055	129,000	-	19,670	-
Issuance of capital leases	52,743	34,030	19,905	485	373	13,551	4,463	4,888	3,341	14,812
Capital leases restructured	-	-	-	-	-	15,507	-	-	-	-
Intergovernmental agreement	6,725	-	-	-	-	-	-	-	-	-
Payment to escrow	(13,729)	(256,518)	-	-	(193,979)	(21,478)	(75,824)	(56,221)	(314,083)	-
Commercial paper issued	-	-	-	-	-	-	-	-	-	-
Bond premium (discount)	-	19,659	-	-	30,857	-	46,140	32,094	94,225	52,197
Note proceeds	-	-	-	1,422	3,000	4,025	-	-	-	-
Issuance of bonds	-	48,660	12,000	-	204,170	-	560,905	199,175	169,925	273,830
Issuance of bonds - refunding	-	209,700	-	-	193,140	-	-	50,140	222,700	-
Insurance recoveries	1,240	749	500	1,266	1,561	793	809	965	776	1,129
Capital asset transfer	-	-	-	-	-	-	-	-	-	(279)
Transfers in	87,479	108,121	112,670	206,427	182,897	198,933	190,327	219,870	143,203	209,330
Transfers out	(89,002)	(108,483)	(112,736)	(202,555)	(184,573)	(197,466)	(189,883)	(218,546)	(134,744)	(205,736)
Total other financing sources (uses)	**45,461**	**56,046**	**34,123**	**29,811**	**238,527**	**18,877**	**666,588**	**246,794**	**210,993**	**345,486**
Net change in fund balances	**$ (41,947)**	**$ 85,460**	**$ 80,501**	**$ 108,213**	**$ 302,996**	**$ (86,004)**	**$ 640,932**	**$ 195,839**	**$ (42,458)**	**$ 472,069**
Debt service as a percentage of noncapital expenditures	11.2%	11.7%	10.4%	10.6%	9.7%	11.6%	9.4%	9.9%	10.0%	9.2%

Governmental Activities Tax Revenues by Source

Last Ten Fiscal Years (dollars in thousands - modified accrual basis of accounting)

Taxes	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Facilities development admission	$ 8,986	$ 8,721	$ 9,262	$ 12,569	$ 12,401	$ 13,816	$ 16,846	$ 15,859	$ 1,808	$ 12,760
Lodgers	57,956	63,482	75,579	82,376	88,872	112,947	120,056	134,047	47,149	90,696
Motor vehicle ownership fee	19,784	21,000	23,944	26,647	26,787	30,793	30,654	32,020	25,921	28,988
Occupational privilege	43,227	44,515	46,438	48,293	49,864	50,955	53,093	54,940	50,669	52,319
Property	287,062	331,914	347,079	349,176	399,859	419,648	472,995	479,346	510,841	533,823
Sales and use	494,495	539,348	608,307	640,251	676,916	721,512	762,201	896,924	791,510	1,079,287
Specific ownership	191	193	213	232	57	57	62	88	82	88
Telephone	9,979	8,964	10,148	10,628	9,446	9,372	9,014	13,208	13,107	15,050
Total primary government taxes	**$ 921,680**	**$ 1,018,137**	**$ 1,120,970**	**$ 1,170,172**	**$ 1,264,202**	**$ 1,359,100**	**$ 1,464,921**	**$ 1,626,432**	**$ 1,441,087**	**$ 1,813,011**

Revenues by Sources - Governmental Activities

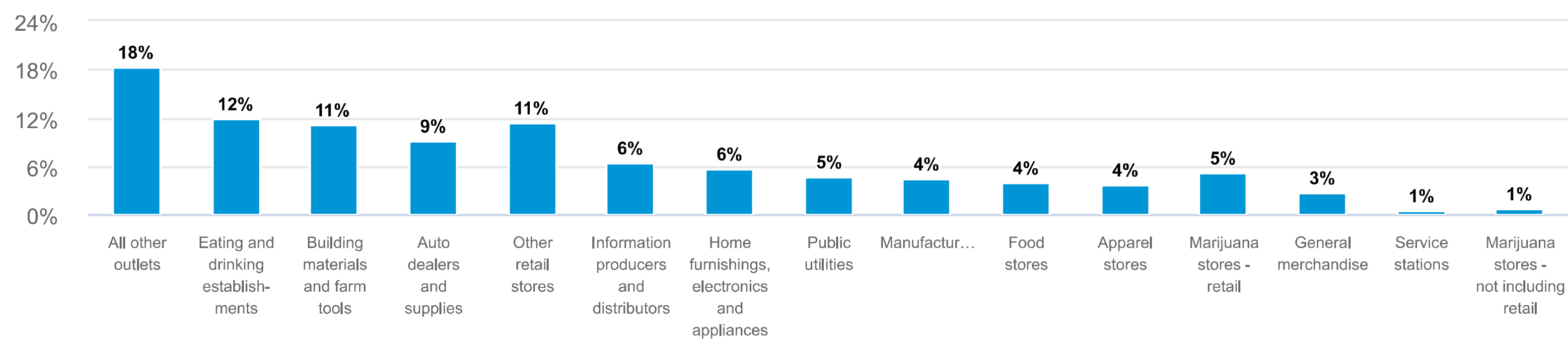


Sales Tax by Category

Last 10 Calendar Years (dollars in thousands)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Apparel stores	$ 21,796	$ 22,778	$ 24,111	$ 25,523	$ 26,029	$ 26,758	$ 28,393	$ 33,031	$ 25,325	$ 40,916
General merchandise	17,161	17,704	18,276	18,527	22,189	21,894	23,548	26,312	25,632	30,702
Food stores	20,269	21,399	23,698	24,994	27,972	28,833	31,067	35,992	36,546	42,399
Eating and drinking establishments	77,886	85,211	94,439	101,242	106,903	113,091	122,062	145,747	79,912	129,410
Home furnishings, electronics and appliances	22,584	24,410	26,138	28,026	38,112	41,147	44,738	50,809	49,788	61,433
Building materials and farm tools	36,837	44,188	52,708	55,122	78,695	86,174	91,072	100,886	102,790	118,972
Auto dealers and supplies	44,371	50,021	55,414	62,000	62,801	64,529	63,872	75,490	77,633	97,598
Service stations	15,100	14,396	15,027	15,058	13,333	12,879	12,758	15,591	3,762	5,518
Public utilities	28,164	30,944	32,931	31,106	30,285	31,366	32,743	36,235	37,186	49,762
Manufacturing	36,415	40,651	46,870	46,166	38,616	29,579	35,373	41,312	40,576	47,184
Information producers and distributors	38,576	37,877	38,213	37,036	40,450	41,637	38,025	48,054	49,651	68,748
Marijuana stores - retail	n/a	n/a	10,761	15,636	20,611	26,723	29,995	37,024	53,536	56,753
Marijuana stores - not including retail	n/a	n/a	6,451	6,996	7,730	7,430	7,636	9,220	8,129	9,205
Other retail stores	51,512	52,656	55,634	55,530	45,338	50,577	54,605	65,771	71,216	123,190
All other outlets	83,824	97,113	107,636	117,289	117,852	138,895	146,314	175,450	129,827	197,497
Total	**$ 494,495**	**$ 539,348**	**$ 608,307**	**$ 640,251**	**$ 676,916**	**$ 721,512**	**$ 762,201**	**$ 896,924**	**$ 791,509**	**$ 1,079,287**
City direct sales tax rate	3.62%	3.62%	3.62%	3.62%	3.65%	3.65%	3.65%	3.65%	3.65%	3.65%

2021 Sales Tax by Category



Note: The 2021 tax rate for retail marijuana is 10.31%

Source: Denver Controller's Office

Assessed Value and Estimated Actual Value of Taxable Property

Last 10 Fiscal Years (dollars in thousands)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Vacant property	$ 193,826	$ 212,668	$ 181,758	$ 219,528	$ 186,774	$ 259,521	$ 231,259	$ 352,077	$ 328,355	$ 470,322
Residential property	4,345,018	4,469,706	4,567,603	5,919,659	6,059,029	7,211,589	7,428,065	8,957,539	9,211,401	10,290,939
Commercial property	4,567,479	4,886,510	4,909,533	6,445,053	6,521,348	8,084,596	8,224,419	10,664,888	10,832,339	11,391,813
Industrial property	120,329	124,503	122,425	150,606	143,930	179,325	175,198	230,238	219,793	281,325
Agricultural property	55	69	69	79	138	92	356	133	125	227
Personal property	722,513	741,538	765,486	825,798	827,331	887,721	918,036	988,926	970,056	817,751
State assessed property	808,218	829,207	838,378	824,187	920,535	925,503	947,791	914,200	965,822	872,881
Total taxable assessed value	**$ 10,757,438**	**$ 11,264,201**	**$ 11,385,252**	**$ 14,384,910**	**$ 14,659,085**	**$ 17,548,347**	**$ 17,925,124**	**$ 22,108,001**	**$ 22,527,891**	**$ 24,125,258**
Total direct tax rate	32.926	33.119	33.055	30.119	30.531	28.333	28.301	24.455	25.184	25.120
Estimated actual taxable value	**$ 76,697,449**	**$ 79,581,379**	**$ 80,891,083**	**$100,203,607**	**$105,772,919**	**$134,744,419**	**$139,408,175**	**$171,449,490**	**$166,203,442**	**$192,464,828**
Assessed value as a percentage of estimated actual value	14.0%	14.2%	14.1%	14.4%	13.9%	13.0%	12.9%	12.9%	13.6%	12.5%

Note: The TABOR amendment, which was approved by Colorado voters in 1992, requires all assessors to use only the market approach in valuing residential property. For commercial real property, the income approach is generally the appropriate method to use in estimating value. Under Colorado law, all assessors must reappraise real property every two years; this occurs in every odd-numbered year (2013, 2015, 2017, 2019 and 2021). If home sales have been very active, and home prices have been increasing, then the property value and assessment for many types and styles of homes typically will increase during these reappraisals. Property tax is determined by the mill levy, which is set in December of each year by the taxing authorities in Denver (the school district, city council, special districts, etc.) In November 2012, Denver voters removed the Taxpayer Bill of Rights (TABOR) limits on property tax, and as a result mill levies assessed after 2012 will not be subject to TABOR limits. Taxable assessed values are reported net of tax-exempt property.

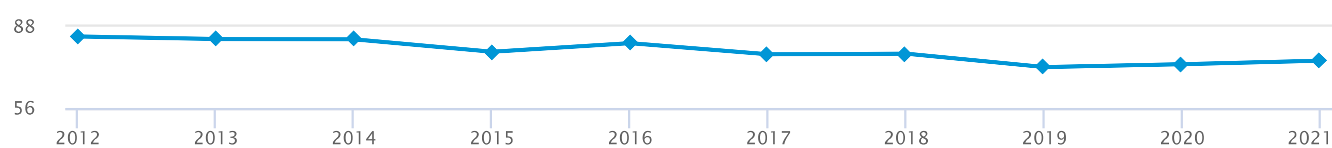
Source: Abstract of Assessment documents

Direct and Overlapping Property Tax Rates

Last 10 Fiscal Years (mill levy - total general taxes)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
County Direct Rates										
General fund	13.362	13.185	13.156	11.331	11.276	9.944	9.922	9.260	9.820	9.820
Bond principal	4.170	4.330	4.100	5.433	7.433	7.000	7.000	4.500	5.500	5.500
Bond interest	3.780	4.103	4.333	3.000	1.000	1.433	1.433	2.000	1.000	1.000
Social services	4.520	4.480	4.470	3.849	3.835	3.380	3.374	2.479	2.630	2.586
Developmentally disabled	1.033	1.021	1.016	1.012	1.010	1.010	1.009	1.011	1.010	1.009
Fire pension	1.587	1.572	1.568	1.350	1.345	1.185	1.183	1.042	1.040	1.039
Police pension	1.893	1.875	1.870	1.610	1.604	1.413	1.411	1.243	1.240	1.238
Capital maintenance	2.581	2.553	2.542	2.534	2.528	2.526	2.525	2.528	2.530	2.513
Affordable housing	-	-	-	-	0.500	0.442	0.444	0.392	0.420	0.415
Total County Direct Rates	**32.926**	**33.119**	**33.055**	**30.119**	**30.531**	**28.333**	**28.301**	**24.455**	**25.190**	**25.120**
School District #1										
General fund	39.575	38.853	38.780	37.147	41.013	38.594	38.676	37.096	36.926	37.413
Bond redemption	10.913	10.446	10.519	10.250	9.383	9.650	9.568	9.568	9.568	9.568
Special revenue mill	-	-	-	-	-	-	-	-	1.517	1.517
Total School District #1	**50.488**	**49.299**	**49.299**	**47.397**	**50.396**	**48.244**	**48.244**	**46.664**	**48.011**	**48.498**
Urban Drainage & Flood Control District	**0.657**	**0.672**	**0.700**	**0.611**	**0.620**	**0.557**	**0.820**	**0.997**	**1.000**	**1.000**
Total General Taxes	**84.071**	**83.090**	**83.054**	**78.127**	**81.547**	**77.134**	**77.365**	**72.116**	**73.201**	**74.618**

Mill Levy - Total General Taxes



Note: The mill levy shown for total general taxes does not include special district mill levies. In November 2012, Denver voters removed the Taxpayer Bill of Rights (TABOR) limits on property tax, and as a result mill levies assessed after 2012 will not be subject to TABOR limits.

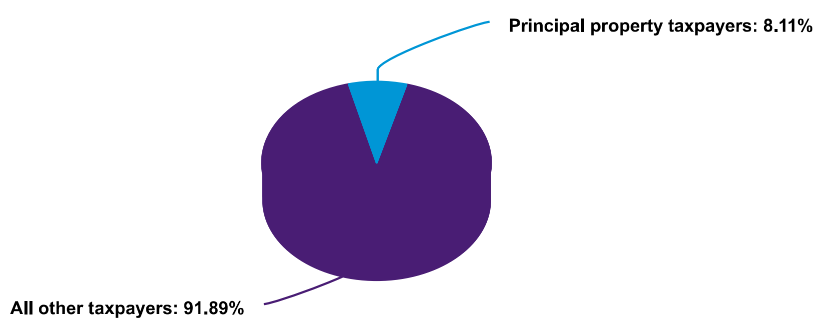
Source: Abstract of Assessment documents

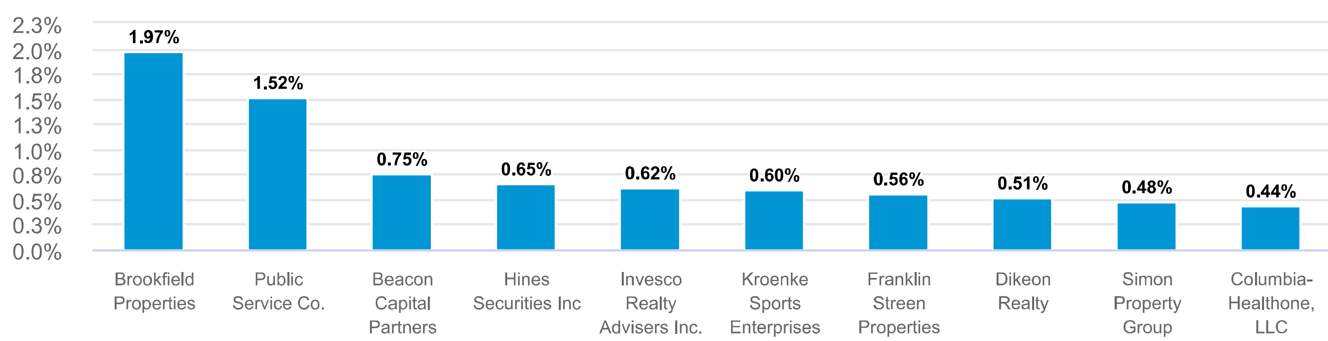
Principal Property Taxpayers

Current Year and Nine Years Ago (dollars in thousands)

	2021			2012		
Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**
Brookfield Properties	$ 476,241	1	1.97%	$ 122,683	3	1.14%
Public Service Co.	367,291	2	1.52%	214,175	1	1.99%
Beacon Capital Partners	181,727	3	0.75%			
Hines Securities Inc	156,607	4	0.65%			
Invesco Realty Advisers Inc.	149,098	5	0.62%			
Kroenke Sports Enterprises	145,250	6	0.60%			
Franklin Streen Properties	135,033	7	0.56%			
Dikeon Realty	123,185	8	0.51%			
Simon Property Group	114,855	9	0.48%			
Columbia-Healthone, LLC	106,695	10	0.44%	82,905	5	0.77%
CenturyLink, Inc.(1)				199,811	2	1.86%
Callahan Capital Partners				113,832	4	1.06%
United Airlines, Inc.				76,442	6	0.71%
UBS Realty Investors				74,116	7	0.69%
LBA Realty Fund II Co. IV				73,573	8	0.68%
Temple-Hoyne Buell Foundation				71,503	9	0.66%
Frontier Airlines				71,028	10	0.66%
Totals	**$ 1,955,982**		**8.11%**	**$ 1,100,068**		**10.22%**

Principal Property Taxpayers





(1) CenturyLink, Inc. merged with Qwest Corp. in April 2011.

Source: Abstract of Assessment documents

Property Tax Levies and Collections

Last 10 Fiscal Years (dollars in thousands)

	Taxes levied	Prepaid amount collected within the fiscal year of the levy	Amount collected in year due	Percentage of levy prepaid and collected in year due	Collections in subsequent years	Total collections to date: Amount	Total collections to date: Percentage of levy	Cancellations[1]
General Fund								
2012	$ 106,177	$ 358	$ 105,134	99.35%	$ 552	$ 106,044	99.87%	$ 133
2013	109,268	469	107,758	99.05%	968	109,195	99.93%	73
2014	109,682	580	108,074	99.06%	970	109,624	99.95%	58
2015	118,856	631	116,532	98.58%	1,642	118,805	99.96%	
2016	120,180	586	118,973	99.48%	523	120,071	99.91%	
2017	130,549	2,043	127,117	98.94%	1,303	130,469	99.94%	
2018	132,251	599	131,536	99.91%	25	132,164	99.93%	
2019	154,200	565	153,354	99.82%	126	154,045	99.82%	
2020	166,391	195	165,017	99.29%	-	165,212	99.29%	
2021	173,652	-	-	0.00%	-	-	0.00%	
Affordable Housing								
2016	$ 6,730	$ 32	$ 6,664	99.49%	$ 29	$ 6,725	99.93%	
2017	7,326	115	7,115	98.69%	91	7,321	99.93%	
2018	7,470	34	7,429	99.91%	2	7,465	99.93%	
2019	8,123	30	8,079	99.83%	6	8,115	99.83%	
2020	8,795	10	8,724	99.31%	-	8,734	99.31%	
2021	9,110	-	-	0.00%	-	-	0.00%	
Bond Principal Fund								
2012	$ 41,730	$ 141	$ 41,320	99.36%	$ 217	$ 41,678	99.88%	$ 52
2013	45,268	194	44,643	99.05%	402	45,239	99.94%	29
2014	43,121	228	42,512	99.12%	358	43,098	99.95%	23
2015	71,837	381	70,525	98.70%	900	71,806	99.96%	
2016	100,054	487	99,052	99.49%	424	99,963	99.91%	
2017	116,028	1,813	112,978	98.93%	1,161	115,957	99.94%	
2018	117,770	533	117,134	99.91%	22	117,692	99.93%	
2019	93,250	341	92,738	99.82%	77	93,079	99.82%	
2020	116,003	136	115,061	99.31%	-	115,197	99.31%	
2021	120,729	-	-	0.00%	-	-	0.00%	
Bond Interest Fund								
2012	$ 37,827	$ 128	$ 37,455	99.35%	$ 197	$ 37,780	99.88%	$ 47
2013	42,895	184	42,302	99.05%	380	42,867	99.93%	29
2014	45,572	241	44,928	99.12%	378	45,547	99.95%	25
2015	39,667	211	38,942	98.70%	497	39,650	99.96%	
2016	13,461	65	13,326	99.48%	59	13,449	99.91%	
2017	23,753	371	23,128	98.93%	238	23,739	99.94%	
2018	24,109	109	23,979	99.91%	4	24,093	99.93%	
2019	41,444	152	41,217	99.82%	33	41,369	99.82%	
2020	21,092	25	20,895	99.18%	-	20,920	99.18%	
2021	21,951	-	-	0.00%	-	-	0.00%	

Property Tax Levies and Collections, continued

Last 10 Fiscal Years (dollars in thousands)

	Taxes levied	Prepaid amount collected within the fiscal year of the levy	Amount collected in year due	Percentage of levy prepaid and collected in year due	Collections in subsequent years	Total collections to date: Amount	Total collections to date: Percentage of levy	Cancellations[1]
Human Services Fund								
2012	$ 56,335	$ 187	$ 55,778	99.34%	$ 300	$ 56,265	99.88%	$ 70
2013	58,308	247	57,501	99.04%	522	58,270	99.93%	38
2014	58,530	305	57,705	99.11%	490	58,500	99.95%	30
2015	65,295	341	64,097	98.69%	829	65,267	99.96%	
2016	66,205	317	65,548	99.49%	287	66,152	99.91%	
2017	73,507	1,137	71,586	98.93%	736	73,459	99.94%	
2018	74,516	334	74,116	99.91%	14	74,464	99.93%	
2019	73,287	264	72,888	99.82%	60	73,212	99.82%	
2020	78,195	90	77,101	98.72%	-	77,191	98.72%	
2021	80,411	-	-	0.00%	-	-	0.00%	
Capital Improvement and Maintenance Funds								
2012	$ 53,369	$ 180	$ 52,844	99.35%	$ 278	$ 53,302	99.87%	$ 67
2013	55,183	237	54,420	99.05%	489	55,146	99.93%	37
2014	55,322	292	54,526	99.09%	474	55,292	99.95%	30
2015	64,472	342	63,255	98.64%	848	64,445	99.96%	
2016	65,381	153	64,891	99.48%	284	65,322	99.91%	
2017	75,897	1,187	73,902	98.94%	758	75,851	99.94%	
2018	76,985	348	76,569	99.91%	15	76,934	99.93%	
2019	89,823	329	89,330	99.82%	74	89,659	99.82%	
2020	93,851	110	93,027	99.24%	-	93,137	99.24%	
2021	97,066	-	-	0.00%	-	-	0.00%	
Total								
2012	$ 295,438	$ 994	$ 292,531	99.35%	$ 1,902	$ 293,525	99.35%	$ 369
2013	310,922	1,331	306,624	99.05%	2,762	310,717	99.93%	206
2014	312,227	1,646	307,745	99.09%	2,670	312,061	99.95%	166
2015	360,127	1,906	353,351	98.65%	4,717	359,972	99.96%	
2016	372,011	1,640	368,454	99.48%	1,615	371,709	99.91%	
2017	427,060	6,665	415,845	98.93%	4,287	426,779	99.94%	
2018	433,101	1,957	430,763	99.91%	85	432,802	99.93%	
2019	460,127	1,681	457,606	99.82%	376	459,663	99.82%	
2020	484,327	566	479,825	99.19%	-	480,391	99.19%	
2021	502,919	-	-	0.00%	-	-	0.00%	

(1) Taxes are determined to be uncollectable after six (6) years from the date of becoming delinquent and cancelled as authorized by C.R.S. 39-10-114(2)(b).

Note: The property tax is certified by the City's Assessor on or before December 15 of each year, unless there is a special election. Property taxes are due and considered earned on January 1 following the year levied. The first and second halves become delinquent on March 1 and June 16, respectively. Figures shown capture the effect of payments, tax adjustments, and refunds.

Source: Denver Controller's Office

Ratios of Outstanding Debt by Type

Last 10 Fiscal Years (dollars in thousands, except per capita amount)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities										
General obligation bonds	$ 895,649	$ 903,939	$ 867,646	$ 815,676	$ 761,406	$ 661,776	$ 737,991	$ 842,856	$ 778,162	$ 689,366
General obligation bonds - Direct Placement									76,250	61,700
Excise tax revenue bonds	230,650	211,325	191,150	171,365	374,960	351,475	630,659	611,596	589,430	849,000
Capital leases	447,679	413,417	406,490	403,555	375,112	360,219	467,327	439,273	341,635	321,465
Capital leases - Direct Placement									71,993	77,689
Unamortized premium	40,927	47,108	37,948	31,080	50,253	42,612	79,109	100,208	181,060	209,831
Note payable	13,804	7,856	7,456	1,431	1,431	-	-	-	-	-
GID note payable	-	-	-	-	5,844	6,165	5,921	5,634	5,330	5,031
Business-Type Activities										
Revenue bonds	3,950,425	4,491,390	4,330,935	4,156,170	4,046,185	4,115,325	6,249,765	5,953,880	5,000,360	4,851,345
Revenue bonds - Direct Placement									741,570	1,378,060
Economic defeasance	-	-	-	-	-	-	-	40,080	40,080	-
Revenue credit payable	-	-	-	-	-	-	-	413,874	29,439	40,000
Unamortized (discount)/premium	173,057	177,856	158,108	133,495	163,975	180,335	431,574	435,237	397,254	355,044
Capital leases	9,769	8,785	9,345	8,179	10,980	8,506	6,063	9,494	-	-
Capital leases - Direct Placement									6,712	4,883
Notes payable	35,169	25,804	20,987	17,077	10,751	8,684	6,576	4,427	2,235	-
Total primary government	**$5,797,129**	**$6,287,480**	**$ 6,030,065**	**$ 5,738,028**	**$ 5,795,053**	**$ 5,728,932**	**$ 8,614,985**	**$ 8,856,559**	**$ 8,261,510**	**$ 8,843,414**
Percentage of personal income	15.55%	16.37%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statement.

Ratios of General Bonded Debt Outstanding

Last 10 Fiscal Years (dollars in thousands, except per capita amount)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General obligation bonds	$ 895,649	$ 903,939	$ 867,646	$ 815,676	$ 761,406	$ 661,776	$ 737,991	$ 842,856	$ 778,162	$ 689,366
General obligation bonds - Direct placement									76,250	61,700
Less amounts available in debt service fund	(32,777)	(26,513)	(64,755)	(84,239)	(129,356)	(145,707)	(151,904)	(154,464)	(165,397)	(180,386)
Total	**$ 862,872**	**$ 877,426**	**$ 802,891**	**$ 731,437**	**$ 632,050**	**$ 516,069**	**$ 586,087**	**$ 688,392**	**$ 689,015**	**$ 570,680**
Percentage of estimated actual taxable value of property	1.13%	1.10%	0.99%	0.73%	0.60%	0.38%	0.42%	0.40%	0.41%	0.34%
Per Capita	$ 1,457	$ 1,482	$ 1,356	$ 1,235	$ 1,068	$ 862	$ 960	$ 1,147	$ 904	$ 762

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statement.

Direct and Overlapping Governmental Activities Debt

December 31, 2021 (dollars in thousands)

	Debt Outstanding	Percentage Applicable	City and County of Denver Share of Debt
Direct Debt			
General Obligation bonds	$ 689,366[1]		
General Obligation bonds - direct placement	61,700[1]		
General Improvement District revenue notes	5,031		
Capital leases	321,465		
Capital leases - direct placement	77,689		
Excise tax revenue bonds	849,000		
Total Net Direct Debt	**1,859,831**		
Overlapping Debt			
Regional Transportation District	3,139,742	22.91%[2]	$ 719,315
Metro Water Recovery	640,358	45.63%[3]	$ 292,195
School District #1	3,187,440	100.00%	$ 3,187,440
Total Overlapping Debt	**6,967,540**		**4,198,950**
Total Net Direct and Overlapping Debt	**$ 8,827,371**		**$ 6,058,781**

(1) Does not include compound interest from the 2007 and 2014A mini-bonds of $12,042.

(2) Percentage calculated on estimated Scientific and Cultural Facilities District sales and use tax for Denver City and County compared to State total, per the Colorado Department of Revenue, Office of Research and Analysis.

(3) Percentage calculated on Denver's wastewater charges compared to the entire metro district per Metro Wastewater Reclamation District.

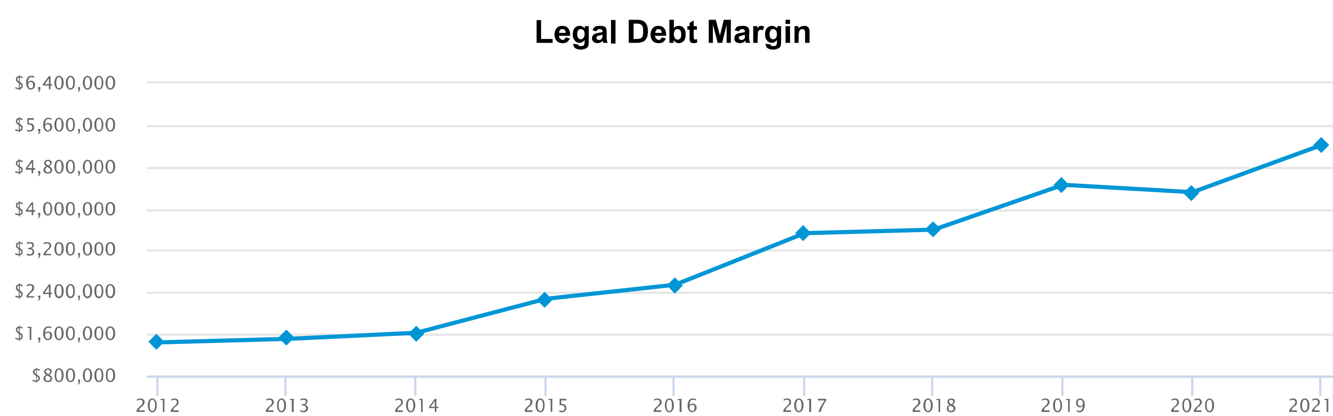
Legal Debt Margin Information

Last 10 Fiscal Years (dollars in thousands)

Calculation of Legal Debt Margin for Fiscal Year 2021

Total Estimated Actual Valuation	**$ 192,464,828**
Maximum general obligation debt, limited to 3% of total valuation	$ 5,773,945
Outstanding bonds chargeable to limit	737,460
Less amount reserved for long-term debt	180,386
Net chargeable to bond limit	**557,074**
Legal Debt Margin – December 31	**$ 5,216,871**

	2012	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
Debt limit	$2,300,923	$2,387,441	$ 2,426,732	$3,006,108	$3,173,188	$4,042,333	$4,182,245	$5,143,485	$4,986,103	$5,773,945
Total net debt application to limit	862,872	877,426	802,891	731,437	632,050	516,069	586,087	688,392	676,973	557,074
Legal debt margin	**$1,438,051**	**$1,510,015**	**$ 1,623,841**	**$2,274,671**	**$2,541,138**	**$3,526,264**	**$3,596,158**	**$4,455,093**	**$4,309,130**	**$5,216,871**
Total net debt applicable to the limit as a percentage of debt limit	**37.50%**	**36.75%**	**33.09%**	**24.33%**	**19.92%**	**12.77%**	**14.01%**	**13.38%**	**13.58%**	**9.65%**



Note: Section 7.2.5, Charter of the City and County of Denver: The City and County of Denver shall not become indebted for general obligation bonds, to any amount, which, including indebtdness, shall exceed three percent of the actual value as determined by the last final assessment of the taxable property within the City and County of Denver.

National Western Center and Convention Center Excise Pledged-Revenue Coverage

Last 10 Fiscal Years (dollars in thousands)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Pledged 3.0% lodger's tax revenues	$ 16,173	$ 17,726	$ 21,092	$ 22,989	$ 24,802	$ 31,519	$ 31,082	$ 34,096	$ 12,085	$ 23,433
Pledged 0.5% food and beverage tax revenues	12,840	13,564	15,202	16,350	17,164	18,619	19,821	20,480	14,376	19,078
Pledged 2.0% short-term auto rental tax revenues	8,595	9,425	10,894	11,614	12,468	12,515	13,197	13,530	7,497	13,719
Other sources	324	263	381	541	961	720	776	892	602	473
Total pledged excise tax base	**$ 37,932**	**$ 40,978**	**$ 47,569**	**$ 51,494**	**$ 55,395**	**$ 63,373**	**$ 64,876**	**$ 68,998**	**$ 34,560**	**$ 56,703**
Debt service (2009B Bonds)	8,644	8,647	8,655	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pledged excise tax base remaining after payment of 2009B Bonds debt service	**$ 29,288**	**$ 32,331**	**$ 38,914**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Pledged 1.75% short-term auto rental increase	7,521	8,247	9,532	10,163	10,910	10,962	11,548	11,839	6,559	11,998
Pledged 1.75% lodgers' tax increase	9,434	10,340	12,303	13,410	14,468	18,386	18,124	19,889	7,049	13,670
Available for Series 2005A and 2009A Bonds debt service	**$ 46,243**	**$ 50,918**	**$ 60,749**	**$ 23,573**	**$ 25,378**	**$ 29,348**	**$ 29,672**	**$ 31,728**	**$ 13,608**	**$ 25,668**
Debt service (2005A and 2009A Bonds)	19,887	19,868	19,824	27,165	4,726	-	-	-	-	-
Additional pledged 3.25% lodger's tax revenues	-	-	-	-	24,969	32,146	31,770	35,027	13,400	24,765
Additional pledged 3.50% short-term auto rental revenues	-	-	-	-	21,820	21,793	22,893	23,460	12,588	23,718
Available for Series 2016AB, 2018AB, and 2021A Bonds debt service	-	-	-	-	122,836	146,567	144,094	159,213	74,156	130,854
Debt service (2016A and 2016B Bonds)	-	-	-	-	26,916	11,061	35,599	34,608	28,687	26,692
Debt service (2018A and 2018B Bonds)	-	-	-	-	-	-	-	10,223	10,944	9,618
Debt service (2021A Bonds)	-	-	-	-	-	-	-	-	-	-

Note: The pledged excise tax base is funded by portions of the lodger's tax (3.0%), short-term auto rental tax (2.0%), and prepared food and beverage tax (0.5%). The pledged excise tax base was used to pay the debt service on the series 2009B Excise Tax Bonds, which matured and was fully paid off in 2014. The pledged excise tax increase is funded by portions of the lodger's tax (1.75%) and short-term auto rental tax (1.75%). The pledged excise tax increase has only been used to pay the debt service on the series 2005A and 2009A Excise Tax Bonds. Any deficiency in the pledged excise tax increase revenue was covered by excess funds in the pledged excise tax base. The series 2005A, 2009A and 2009B bond issuances funded the Colorado Convention Center and its original expansion. In 2016, the City issued Series 2016A-B Bonds to fund the initial costs of the National Western Center redevelopment and Colorado Convention Center expansion projects, as well as to advance refund of all the outstanding Series 2005A and 2009A bonds. In 2018, the City issued Series 2018A-B bonds to fund additional costs of the National Western Center campus redevelopment. The City pledged the excise tax base and excise tax increase revenues to the repayment of the 2016A-B Bonds and 2018A-B Bonds, as well as additional revenues that were not pledged to the repayment of the 2005A and 2009A Bonds which includes portion of the lodger's tax (3.25%) and short-term auto rental tax (3.50%).

Note: Lodger's Tax for 2017 includes a one-time legal settlement from online travel companies of $9,989,000.

Wastewater Management Fund Pledged-Revenue Coverage

Last 10 Fiscal Years (dollars in thousands)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net pledged revenues	$ 24,562	$ 28,016	$ 36,635	$ 33,363	$ 35,293	$ 46,666	$ 49,871	$ 66,237	$ 21,775	$ 72,810
Combined average debt service requirements[1]	$ 3,223	$ 3,164	$ 3,099	$ 3,027	$ 8,299	$ 7,930	$ 13,032	$ 12,475	$ 11,919	$ 11,362
Debt service coverage ratio	7.62	8.85	11.82	11.02	4.25	5.88	3.83	5.31	1.83	6.41
Required coverage	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25

(1) Numbers through 2011 apply to Series 2002 bonds that were refunded in January 2012 by Series 2012 bonds.

Note: The Wastewater Management bonds are secured by the net revenues derived from the operation of Wastewater Management's Storm Drainage Facilities and Sanitary Sewer Facilities.

Golf Fund Pledged-Revenue Coverage

Last 10 Fiscal Years (dollars in thousands)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net pledged revenues	$ 1,996	$ 907[1]	$ 1,264[2]	$ 912	$ 1,940	$ 1,653	$ 1,653	$ 2,147	$ 2,382	$ 4,168
Rate maintenance account	$ 240	$ 240	$ 240	$ 240	$ 240	$ 240	$ 240	$ 240	$ 240	$ 240
Available fund balance	$ 15,325	$ 14,253	$ 12,933	$ 9,791	$ 9,987	$ 12,932	$ 8,641	$ 23,785	$ 24,065	$ 25,414
Annual debt service requirement	$ 685	$ 682	$ 686	$ 684	$ 685	$ 685	$ 682	$ 687	$ 687	$ 687
Service coverage ratio	3.26	1.68	2.19	1.68	3.18	2.76	2.78	3.47	3.82	6.42
Required coverage	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35

***Golf bonds were issued in 2006**

(1) Does not include non-cash expenditure of $617 for leased items that did not meet City's capitalization limit.

(2) Does not include non-cash expenditure of $1,318 for leased items that did not meet City's capitalization limit.

Note: The Golf bonds were issued to fund improvement to the City-owned golf courses and are secured by the gross revenues of the Golf Enterprise fund minus certain Operating and Maintenance Expenses.

Denver International Airport Fund Pledged-Revenue Coverage

Last 10 Fiscal Years (dollars in thousands)

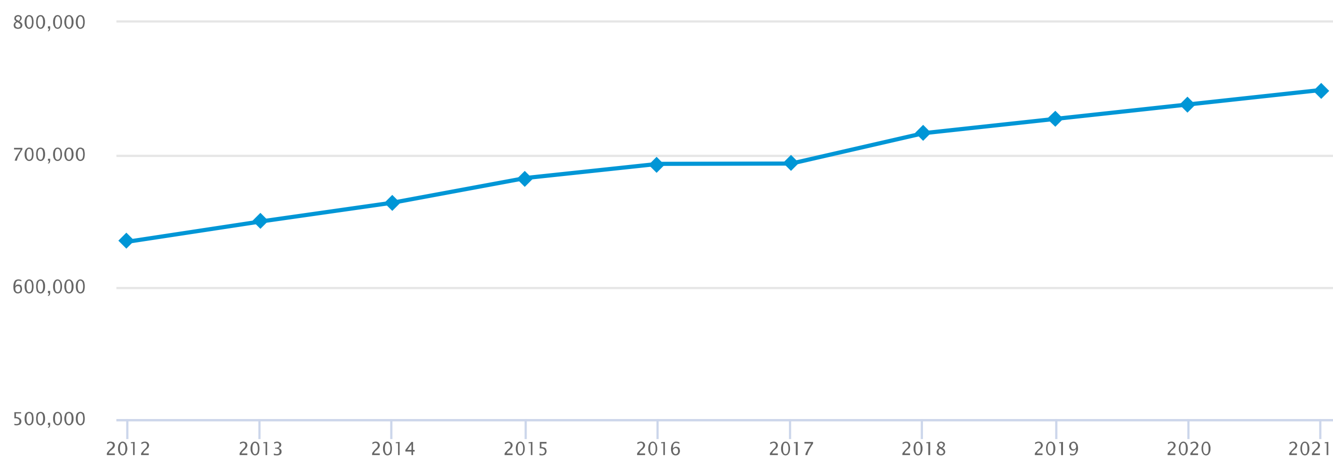
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Gross Revenues	$ 713,279	$ 743,101	$ 803,620	$ 808,614	$ 863,126	$ 895,857	$ 945,206	$ 1,102,851	$ 748,264	$ 929,450
Operation and maintenance expenses	318,394	349,987	355,769	377,199	417,140	425,005	445,801	478,305	407,365	424,042
Net revenues	**394,885**	**393,114**	**447,851**	**431,415**	**445,986**	**470,852**	**499,405**	**624,546**	**340,899**	**505,408**
Other available funds	51,685	50,409	54,834	50,320	51,574	47,090	43,901	68,365	39,848	35,051
Total amount available for debt service	**$ 446,570**	**$ 443,523**	**$ 502,685**	**$ 481,735**	**$ 497,560**	**$ 517,942**	**$ 543,306**	**$ 692,911**	**$ 380,747**	**$ 540,459**
Debt service requirements per general and supplemental bond ordinances	$ 247,563	$ 242,816	$ 219,334	$ 201,279	$ 294,914	$ 282,251	$ 276,949	$ 376,265	$ 252,387	$ 256,990
Debt service coverage	1.80	1.83	2.29	2.39	1.69	1.84	1.96	1.84	1.51	2.10
Required coverage	1,25	1,25	1,25	1,25	1,25	1,25	1,25	1,25	1.25	1.25

Source: Denver International Airport Financial Statements

Demographic and Economic Statistics
Last 10 Calendar Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Population	634,265	649,495	663,862	682,545	693,060	693,292	716,492	727,211	738,200	749,103
Personal income (expressed in millions)	$ 35,721	$ 36,999	$ 41,743	$ 46,617	$ 46,612	$ 47,289	$ 57,211	$ 61,348	$ 51,543	n/a
Per capita Personal income	$ 56,318	$ 56,967	$ 62,880	$ 68,299	$ 67,256	$ 69,862	$ 79,849	$ 81,405	$ 69,822	n/a
School enrollment	84,424	87,398	90,150	91,429	92,331	92,686	93,356	92,039	90,296	90,250
Unemployment rate	8.20%	7.00%	4.30%	3.70%	3.00%	3.00%	3.00%	2.50%	6.90%	4.20%

City and County of Denver Population



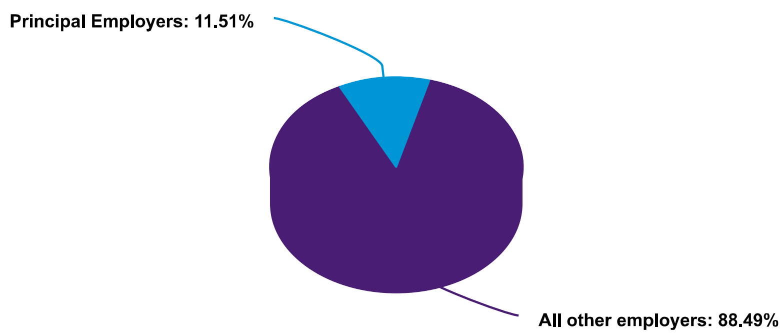
Source: Denver Public Schools
U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics
U.S. Census Bureau
U.S. Department of Commerce

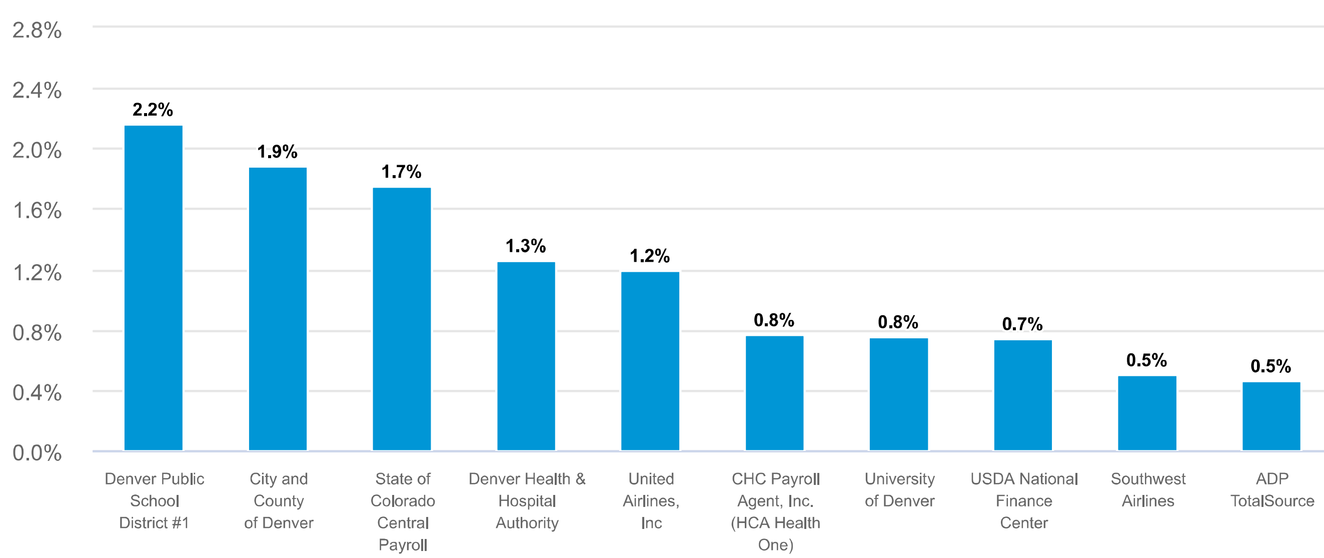
Principal Employers

Current Year and Nine Years Ago

	2021			2012		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Denver Public School District #1	12,364	1	2.2%	11,332	1	3.1%
City and County of Denver	10,752	2	1.9%	9,704	2	2.7%
State of Colorado Central Payroll	9,978	3	1.7%	9,606	3	2.6%
Denver Health & Hospital Authority	7,212	4	1.3%	5,314	5	1.5%
United Airlines, Inc	6,814	5	1.2%	4,209	6	1.2%
CHC Payroll Agent, Inc. (HCA Health One)	4,390	6	0.8%	4,180	7	1.1%
University of Denver	4,332	7	0.8%	3,713	8	1.0%
USDA National Finance Center	4,252	8	0.7%	7,593	4	2.1%
Southwest Airlines	2,892	9	0.5%			
ADP TotalSource	2,682	10	0.5%			
University of Colorado				3,314	9	0.9%
Accounting Service Center (U.S Postal Service)				3,262	10	0.9%
Total	**65,668**		**11.5%**	**74,208**		**16.7%**

Principal Employers





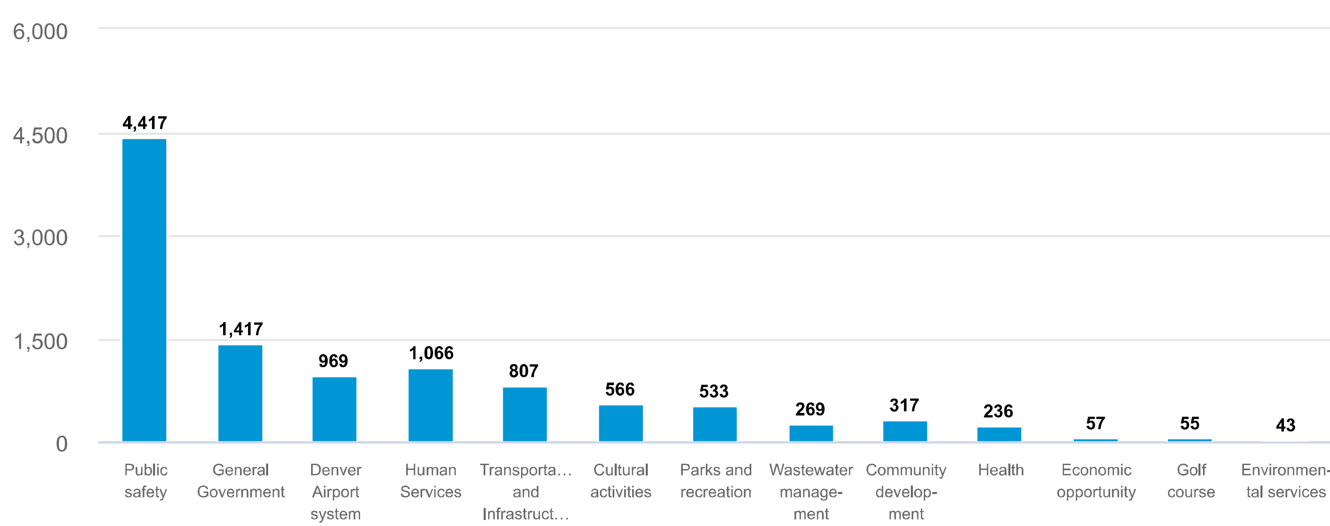
Source: Based on 2021 and 2012 Occupational Privilege Tax Remitters.

Full-Time Equivalent City Government Employees by Function

Last 10 Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government	1,179	1,190	1,282	1,290	1,336	1,373	1,430	1,561	1,466	1,417
Public safety	4,095	4,192	4,256	4,324	4,375	4,606	4,689	4,804	4,685	4,417
Transportation and Infrastructure	736	754	754	794	844	875	906	968	878	807
Human Services	890	884	941	1,022	1,087	1,123	1,123	1,115	1,127	1,066
Health	111	124	131	136	145	144	172	172	226	236
Parks and recreation	431	449	450	450	458	530	498	529	511	533
Cultural activities	570	628	642	665	658	668	671	665	633	566
Community development	179	176	200	219	239	272	285	299	289	317
Economic opportunity	183	182	186	176	80	77	39	46	54	57
Wastewater management	251	248	252	259	276	278	283	296	280	269
Denver Airport system	1,001	1,035	1,097	1,125	1,190	1,151	1,104	1,133	1,042	969
Environmental services	43	43	46	44	44	44	28	51	44	43
Golf course	35	41	44	45	49	49	51	56	57	55
Total	**9,704**	**9,946**	**10,281**	**10,549**	**10,781**	**11,190**	**11,279**	**11,695**	**11,292**	**10,752**

2021 Full-Time City Employees by Function



Source: Denver Controller's Office

Operating Indicators by Function
Last 10 Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police										
Physical arrests	54,545	50,878	52,517	52,912	51,340	49,797	50,747	44,145	30,174	26,982
Traffic violations	118,644	109,342	98,434	86,427	73,011	67,312	79,732	67,123	48,334	48,576
Fire										
Emergency responses	101,530	105,290	112,370	107,076	114,224	116,061	119,287	123,428	111,242	125,241
Fires extinguished	2,248	1,985	1,986	1,792	2,010	2,250	2,597	3,371	4,670	5,643
Inspections	30,226	31,818	34,044	36,897	33,825	34,670	34,697	35,827	27,947	32,244
Sheriff										
Average daily population	2,144	2,270	2,049	2,004	2,221	2,187	2,110	2,187	1,352	1,509
Number of jails	2	2	2	2	2	2	2	2	2	2
Transportation and Infrastructure										
Parking tickets issued	646,150	677,369	640,126	653,491	642,320	574,400	526,016	465,094	381,564	416,715
Recyclables collected (tons)	31,600	33,193	34,350	37,318	38,325	40,810	40,884	42,200	46,500	43,815
Refuse collected (tons)	213,411	205,985	208,222	207,132	196,870	184,395	176,311	173,542	191,101	181,000
Other Transportation and Infrastructure										
Alleys paved (square yards)	41,545	7,750	14,358	19,860	15,867	21,408	27,894	3,678	5,220	5,238
Potholes repaired (tons of asphalt)	4,364	3,358	4,666	5,025	3,374	3,306	2,517	874	2,329	1,516
Street resurfacing (square yards)	2,013,962	2,553,301	2,563,000	2,721,030	2,778,788	3,027,270	3,366,458	3,627,571	3,987,853	3,358,790
Human services										
Family Medicaid Application for Denver clients	7,061	29,025	77,219	38,061	38,273	38,118	41,566	35,442	31,164	18,847
New child welfare case involvements	1,305	974	824	1,231	1,769	1,920	1,614	871	683	552
Community development										
Permits issued	55,463	55,252	67,818	75,717	64,624	75,665	69,562	70,967	60,147	58,757
Economic opportunity										
Low income affordable housing units created	503	568	557	749	579	1,438	667	1,042	541	587
Percent of job seekers entering employment	51.15%	55.83%	59.51%	65.30%	56.83%	59.60%	62.00%	66.00%	55.42%	49.13%
Library										
Total volumes borrowed	9,552,145	9,811,501	9,067,577	9,097,572	9,556,962	9,675,656	7,395,551	9,022,428	5,458,956	6,118,184
Volumes in collection	2,227,910	1,982,000	2,049,703	1,922,628	2,111,879	2,072,239	3,490,143	1,795,256	1,685,336	1,558,336
Denver airport system										
Passenger air traffic	53,156,278	52,556,359	53,472,514	54,014,502	58,266,515	61,379,396	64,494,613	69,015,703	33,741,129	58,828,552
Excise and Licenses										
Number of business license transactions	16,248	15,085	17,230	22,207	24,168	24,573	26,044	24,437	22,404	25,524

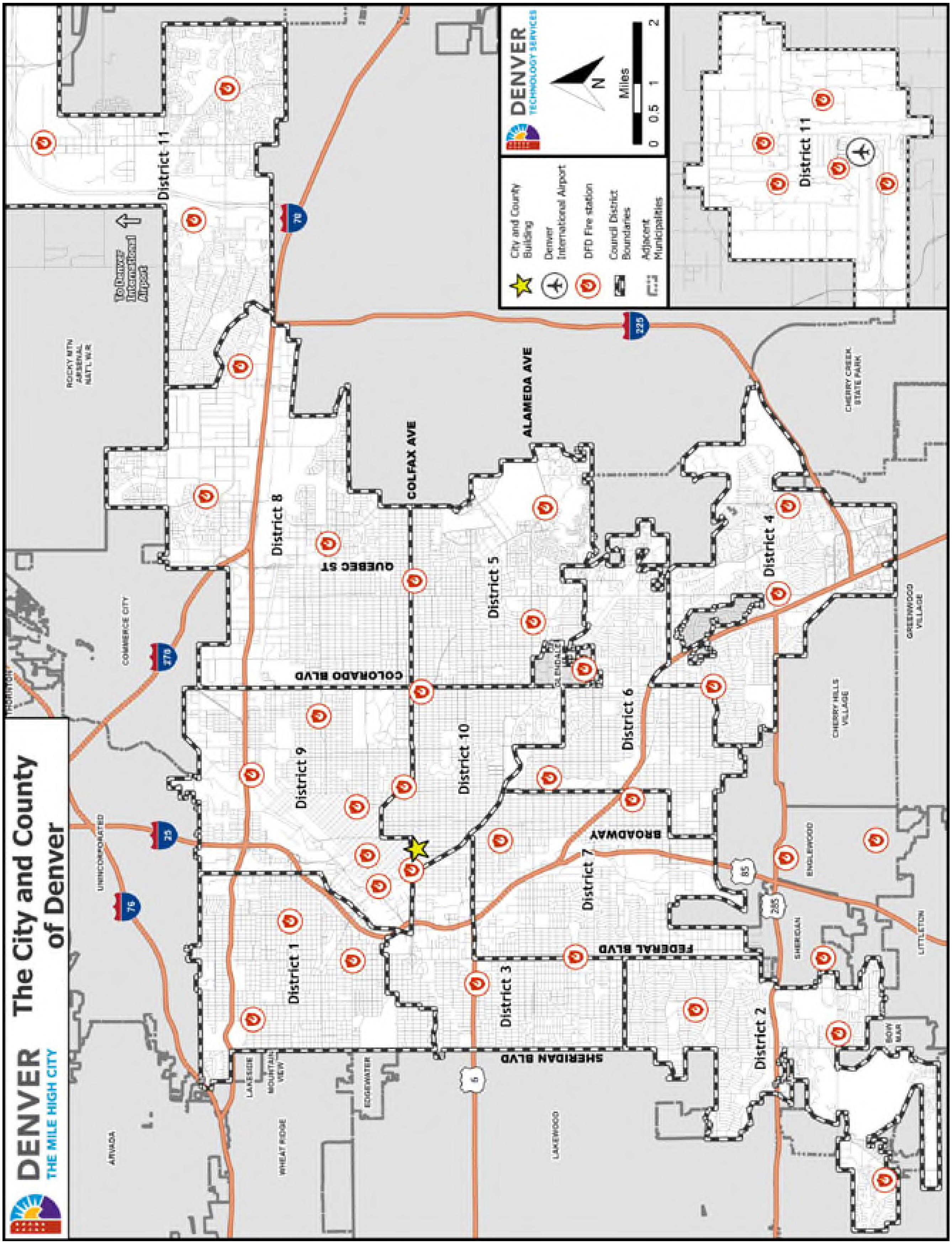
(1) Family Medicaid Applications increased due to changes in the Affordable Care Act and additional outreach funding client engagement.

Sources:
Denver Department of Aviation
Denver Department of Community Planning and Development
Denver Department of Excise and Licenses
Denver Department of Finance
Department of Human Services
Denver Department of Transportation and Infrastructure
Denver Department of Safety
Denver Office of Economic Development
Denver Public Library

Capital Asset Statistics
Last 10 Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Fire										
Number of engines/trucks	41/22	40/22	41/23	44/23	42/23	42/23	42/23	43/23	43/23	43/23
Number of stations	34	34	34	37	38	38	38	39	39	39
Police										
Number of patrol marked/unmarked vehicles	329/111	392/207	414/213	417/209	430/265	399/219	403/153	385/189	419/166	427/167
Number of stations	6	6	6	6	6	6	6	6	6	6
Transportation and Infrastructure										
Bridges (major/minor)	294/181	297/182	297/182	297/184	297/187	297/190	297/194	297/207	220/402	220/402
Alleys										
paved	5116	5,125	5,142	5,169	5,190	5,217	5,237	5,236	5,238	5,238
unpaved	148	102	100	73	73	46	42	23	21	21
Streets (centerline miles)	2005	2,005	2,005	2,005	2,010	2,010	2,017	2,018	2,163	2,166
Traffic signals	1263	1,267	1,272	1,285	1,295	1,306	1,315	1,168	1,056	1,064
Parks and recreation										
Acreage owned	20,106	20,106	20,106	20,361	20,374	20,374	20,383	20,448	20,474	20,474
Golf courses	8	8	8	8	8	8	8	8	8	8
Mountain acreage	14141	14,141	14,141	14,141	14,141	14,141	14,141	14,141	14,141	14,141
Number of parks (includes mountain parks)	319	332	325	332	336	336	336	343	347	347
Parkways (miles)	60	60	60	60	60	60	63	63	63	63
Athletic fields/lighted	318/47	324/45	329/50	330/50	328/52	324/52	321/52	315/45	313/46	313/46
Recreation centers	31	30	30	30	30	31	31	31	31	31
Swimming pools	29	29	29	29	29	31	31	31	31	31
Tennis courts/lighted	152/88	148/88	146/88	146/88	148/88	147/90	147/90	152/90	147/91	147/91
Cultural activities										
Concert venues	7	7	7	7	7	7	7	7	7	7
Public libraries	24	24	25	26	26	26	26	26	26	26
Wastewater										
Sanitary sewers (miles)	1504	1,504	1,506	1,514	1,523	1,533	1,538	1,535	1,546	1,551
Storm sewers (miles)	793	802	805	812	821	823	823	825	842	829
Denver airport system										
Acreage	33,800	33,800	33,800	33,800	33,800	33,800	33,800	33,800	33,800	33,800
Number of runways	6	6	6	6	6	6	6	6	6	6
Seating Capacities										
Boettcher Concert Hall	2,709	2,709	2,679	2,679	2,679	2,679	2,679	2,679	2,679	2,679
Colorado Convention Center	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Denver Coliseum	10,474	10,474	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Ellie Caulkins Opera House	2,225	2,225	2,225	2,255	2,255	2,225	2,225	2,225	2,225	2,225
Red Rocks Amphitheater	9,450	9,450	9,525	9,525	9,525	9,525	9,525	9,525	9,525	9,525
Temple Hoyne Buell Theatre	2,846	2,846	2,884	2,884	2,884	2,884	2,884	2,884	2,884	2,884
McNichols Civic Center Building	-	-	2,000	1,900	1,900	1,900	1,900	1,900	1,900	1,900

Sources: Denver Department of Aviation; Denver Department of Finance; Denver Department of Public Works; Denver Department of Safety; Denver Department of General Services; Denver Department of Parks and Recreation; Denver Public Library


DENVER
THE MILE HIGH CITY
The City and County of Denver
DENVER
TECHNOLOGY SERVICES
City and County Building
Denver International Airport
DFD Fire station
Council District Boundaries
Adjacent Municipalities
N
Miles
0 0.5 1 2
To Denver International Airport
District 1
District 2
District 3
District 4
District 5
District 6
District 7
District 8
District 9
District 10
District 11
COLFAX AVE
ALAMEDA AVE
QUEBEC ST
COLORADO BLVD
BROADWAY
FEDERAL BLVD
SHERIDAN BLVD
ARVADA
WHEAT RIDGE
LAKESIDE
MOUNTAIN VIEW
EDGEWATER
LAKEWOOD
UNINCORPORATED
COMMERCE CITY
THORNTON
ROCKY MTN ARSENAL NAT'L W.R.
GLENDALE
CHERRY CREEK STATE PARK
GREENWOOD VILLAGE
CHERRY HILLS VILLAGE
ENGLEWOOD
SHERIDAN
LITTLETON
BOW MAR
70
270
25
76
225
85
285
6

DENVER
THE MILE HIGH CITY

DEPARTMENT OF FINANCE
CONTROLLER'S OFFICE

201 West Colfax Avenue, Department 1109
Denver, Colorado 80202

www.denvergov.org/finance

311 | POCKETGOV.COM | DENVERGOV.ORG | DENVER